BASE PROSPECTUS

UNICREDIT BANK CZECH REPUBLIC AND SLOVAKIA, A.S.

(*incorporated with limited liability in the Czech Republic*)

€7,000,000,000

Mortgage Covered Bond Programme

Under this €7,000,000,000 Mortgage Covered Bond Programme (the **Programme)**, UniCredit Bank Czech Republic and Slovakia, a.s., with its registered office at Prague 4 - Michle, Želetavská 1525/1, Postal Code 14092, Czech Republic, Identification No. 64948242, registered with the Commercial Register maintained by the Municipal Court in Prague, File No. B 3608, LEI: KR6LSKV3BTSJRD41IF75 (the **Issuer**) may from time to time issue mortgage covered bonds (in Czech, *hypoteční zástavní listy*) in accordance with Czech Act No. 190/2004 Coll., Act on Bonds, as amended (the **Czech Bonds Act**), Section 28 *et seq.*, Part 2, Clause III (the **Mortgage Covered Bonds**) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below). This prospectus comprises a base prospectus in respect of Mortgage Covered Bonds (the **Base Prospectus**) issued under the Programme for the purposes of Article 8(1) of Regulation (EU) 2017/1129 (the **Prospectus Regulation**).

Mortgage Covered Bonds will be issued in bearer form (the **Bearer Mortgage Covered Bonds**). The maximum aggregate nominal amount of all Mortgage Covered Bonds from time to time outstanding under the Programme (or, in relation to the nominal amount of any Mortgage Covered Bonds which are not denominated in euro, its equivalent in other currencies calculated as described in the Dealer Agreement) will not exceed EUR7,000,000,000, subject to increase as described herein.

The Mortgage Covered Bonds may be issued on a continuing basis to one or more of the Dealers specified under section General Description of the Programme and any additional Dealer appointed under the Programme from time to time by the Issuer (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the **relevant Dealer** shall, in the case of an issue of Mortgage Covered Bonds being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Mortgage Covered Bonds.

An investment in Mortgage Covered Bonds issued under the Programme involves certain risks. For a discussion of these risks see section Risk Factors.

This Base Prospectus has been approved as a base prospectus by the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg (the **CSSF**) as competent authority under the Prospectus Regulation. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the CSSF should not be considered as an endorsement of the Issuer or of the quality of the Mortgage Covered Bonds and the CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer in accordance with Article 6(4) of the Luxembourg Law on Prospectuses for securities. Investors should make their own assessment as to the suitability of investing in the Mortgage Covered Bonds.

Application has also been made to the Luxembourg Stock Exchange for Mortgage Covered Bonds issued under the Programme to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange.

References in this Base Prospectus to Mortgage Covered Bonds being **listed** (and all related references) shall mean that such Mortgage Covered Bonds have been admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and have been listed on the Official List of the Luxembourg Stock Exchange. The Regulated Market of the Luxembourg Stock Exchange is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU (**MiFID II**)).

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Mortgage Covered Bonds which are to be admitted to trading on a regulated market in the European Economic Area (the EEA) or a specific segment of an EEA regulated market, to which only qualified investors (as defined in the Prospectus Regulation) can have access (in which case they shall not be offered or sold to non-qualified investors) or offered to the public in the EEA other than in circumstances where an exemption is available under Article 1(4) or 3(2) of the Prospectus Regulation. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid. The validity of this Base Prospectus ends upon expiration of 24 June 2022. Notice of the aggregate nominal amount of Mortgage Covered Bonds, interest (if any) payable in respect of Mortgage Covered Bonds, the issue price of Mortgage Covered Bonds and certain other information which is applicable to each Tranche (as defined under section Terms and Conditions of the Mortgage Covered Bonds) of Mortgage Covered Bonds will be set out in a final terms document (the **Final Terms**) which, with respect to all Mortgage Covered Bonds will be filed with the CSSF. Copies of this Base Prospectus and Final Terms in relation to Mortgage Covered Bonds to be listed on the Luxembourg Stock Exchange will also be published on the website of the Luxembourg Stock Exchange (*www.bourse.lu*).

The Programme provides that Mortgage Covered Bonds may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Mortgage Covered Bonds and/or Mortgage Covered Bonds not admitted to trading on any market.

Moody's Investors Service España, S.A. (**Moody's** or the **Rating Agency**) is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). Moody's is included in the list of credit rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website (http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation. The Issuer may issue Mortgage Covered Bonds rated by Moody's, rated by other rating agency or unrated. Where a Tranche of Mortgage Covered Bonds is rated, such rating will be disclosed in the applicable Final Terms and will not necessarily be the same as the ratings assigned to other Tranches of Mortgage Covered Bonds. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Mortgage Covered Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) and are subject to U.S. tax law requirements. Subject to certain exceptions, Mortgage Covered Bonds may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons. See section Form of the Mortgage Covered Bonds

for a description of the manner in which Mortgage Covered Bonds will be issued. The Mortgage Covered Bonds are subject to certain restrictions on transfer, see section Subscription and Sale.

Arranger
UniCredit

Dealers

UniCredit Bank Czech Republic and Slovakia, a.s. UniCredit

The date of this Base Prospectus is 24 June 2021.

IMPORTANT INFORMATION

This Base Prospectus comprises a base prospectus in respect of all Mortgage Covered Bonds issued under the Programme for the purposes of the Prospectus Regulation.

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Mortgage Covered Bonds issued under the Programme. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus and the Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information.

By approving this Base Prospectus, CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer. No other person mentioned in this Base Prospectus, other than the Issuer, is responsible for the information given in this Base Prospectus and any supplement thereto. This Base Prospectus is to be read and construed in conjunction with all documents which are deemed to be incorporated in it by reference (see section Documents Incorporated by Reference). This Base Prospectus shall be read and construed on the basis that those documents are incorporated and form part of this Base Prospectus.

Other than the relevant parts of the documents which are deemed to be incorporated by reference (see section Documents Incorporated by Reference), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the CSSF.

Neither the Arranger nor the Dealers have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arranger or the Dealers as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Mortgage Covered Bonds and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, any of the Arranger or the Dealers.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Mortgage Covered Bonds: (a) is intended to provide the basis of any credit or other evaluation; or (b) should be considered as a recommendation by the Issuer, any of the Arranger or the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Mortgage Covered Bonds should purchase any Mortgage Covered Bonds. Each investor contemplating purchasing any Mortgage Covered Bonds should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Mortgage Covered Bonds constitutes an offer, solicitation of an offer or invitation by or on behalf of the Issuer, any of the Arranger or the Dealers to any person to subscribe for or to purchase any Mortgage Covered Bonds.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Mortgage Covered Bonds shall in any circumstances imply that the information contained in it concerning the Issuer is correct at any time subsequent to its date or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Arranger and the Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in the Mortgage Covered Bonds of any information coming to their attention.

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

None of the Dealers (also in their capacity as green or ESG (as defined below) structuring agent), any of their affiliates or any other person mentioned in this Base Prospectus makes any representation as to the suitability of

the Mortgage Covered Bonds to fulfil environmental and sustainability criteria required by any prospective investors. The Dealers have not undertaken, nor are responsible for, any assessment of any sustainability bond framework or any eligible sustainable projects (including the Sustainability Bond Framework (as defined below)), any verification of whether such eligible sustainable projects meet the criteria set out in such sustainability bond framework or the monitoring of the use of proceeds.

The Mortgage Covered Bonds may not be a suitable investment for all investors. Each potential investor in the Mortgage Covered Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

(i) has sufficient knowledge and experience to make a meaningful evaluation of the Mortgage Covered Bonds, the merits and risks of investing in the Mortgage Covered Bonds and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;

(ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Mortgage Covered Bonds and the impact the Mortgage Covered Bonds will have on its overall investment portfolio;

(iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Mortgage Covered Bonds, including Mortgage Covered Bonds where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understands thoroughly the terms of the Mortgage Covered Bonds and is familiar with the behaviour of financial markets;

(v) be aware that it may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Mortgage Covered Bonds are transferred or other jurisdictions;

(vi) ask for its own tax adviser's advice on its individual taxation with respect to the acquisition, sale and redemption of the Mortgage Covered Bonds; and

(vii) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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

PRIIPS Regulation / Prohibition of Sales to EEA Retail Investors

The Mortgage Covered Bonds 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 (the **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 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. No key information document required by Regulation (EU) No 1286/2014 (as amended) (the **PRIIPs Regulation**) for offering or selling the Mortgage Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Mortgage Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

UK Retail Investors

The Mortgage Covered Bonds 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 (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2(1) of Commission Delegated Regulation (EU) 2017/565 as it forms part of English law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); or (ii) a customer within the meaning 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 English law by virtue of the EUWA; or (iii) not a qualified investor as defined in point (e) of Article 2 of Regulation (EU) 2017/1129 as it forms part of English law by virtue of the EUWA (the **UK Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of English law by virtue of EUWA (the **UK PRIIPs Regulation**) for offering or selling the Mortgage Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Mortgage Covered Bonds or otherwise making them available to any retail investor or in the UK may be unlawful under the UK PRIIPs Regulation.

MiFID II Product Governance / Target Market

The Final Terms in respect of any Mortgage Covered Bonds may include a legend entitled **MiFID II Product Governance** which will outline the target market assessment in respect of the Mortgage Covered Bonds and which channels for distribution of the Mortgage Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Mortgage Covered Bonds (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 Mortgage Covered Bonds (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 under EU Delegated Directive 2017/593 (the **MiFID Product Governance Rules**), any Dealer subscribing for any Mortgage Covered Bonds is a manufacturer in respect of such Mortgage Covered Bonds, 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.

UK MiFIR Product Governance / Target Market

The Final Terms in respect of the Mortgage Covered Bonds may include a legend entitled **UK MiFIR Product Governance** which will outline the target market assessment in respect of the Mortgage Covered Bonds and which channels for distribution of the Mortgage Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Mortgage Covered Bonds (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Mortgage Covered Bonds (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 UK MiFIR Product Governance Rules, any Dealer subscribing for any Mortgage Covered Bonds is a manufacturer in respect of such Mortgage Covered Bonds, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MIFIR Product Governance Rules.

Benchmark Register

Amounts payable on the Floating Rate Mortgage Covered Bonds (as defined below) will be calculated by reference, *inter alia*, to Constant Maturity Swap (**CMS**), which is currently provided by ICE Benchmark Administration Limited (**IBA**), to EURIBOR, which is currently provided by European Money Markets Institute (**EMMI**), to PRIBOR, which is currently provided by Czech Financial Benchmark Facility (**CFBF**), to SONIA®, which is currently provided by the Bank of England, to SOFR®, which is currently provided by the Federal Reserve Bank of New York, to €STR®, which is provided by the European Central Bank or other indices which are deemed benchmarks for the purposes of the Regulation (EU) 2016/1011 (the **Benchmark Regulation**) as specified in the applicable Final Terms. As at the date of this Base Prospectus, SONIA®, SOFR® and €STR® do

not fall within the scope of the Benchmark Regulation As at the date of this Base Prospectus, EMMI and CFBF are included in ESMA's register of administrators under Article 36 of the Benchmark Regulation, while IBA does not appear on such register.

ESG Ratings

The Issuer's exposure to Environmental, Social and Governance (**ESG**) risks and the related management arrangements established to mitigate those risks has been or may be assessed by several agencies, among others, through Environmental, Social and Governance ratings (**ESG ratings**).

ESG ratings may vary amongst ESG ratings agencies as the methodologies used to determine ESG ratings may differ. The Issuer's ESG ratings are not necessarily indicative of its current or future operating or financial performance, or any future ability to service the Mortgage Covered Bonds and are only current as of the dates on which they were initially issued. Prospective investors must determine for themselves the relevance of any such ESG ratings information contained in this Base Prospectus or elsewhere in making an investment decision. Furthermore, ESG ratings shall not be deemed to be a recommendation by the Issuer or any other person to buy, sell or hold the Mortgage Covered Bonds. Currently, the providers of such ESG ratings are not subject to any regulatory or other similar oversight in respect of their determination and award of ESG ratings. For more information regarding the assessment methodologies used to determine ESG ratings, please refer to the relevant ratings agency's website (which website does not form a part of, nor is incorporated by reference in, this Base Prospectus).

Important Information Relating to the Use of this Base Prospectus and Offers of Mortgage Covered Bonds Generally

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Mortgage Covered Bonds in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Mortgage Covered Bonds may be restricted by law in certain jurisdictions. The Issuer, the Arranger and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Mortgage Covered Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger or the Dealers which is intended to permit a public offering of any Mortgage Covered Bonds or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Mortgage Covered Bonds may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Mortgage Covered Bonds may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Mortgage Covered Bonds. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Mortgage Covered Bonds in the United States, the EEA (including the Czech Republic), the United Kingdom and Japan: see section Subscription and Sale.

This Base Prospectus has been prepared on a basis that would permit an offer of Mortgage Covered Bonds with a denomination of at least EUR100,000 (or its equivalent in any other currency) or, where Mortgage Covered Bonds are to be admitted to trading only on a regulated market, or a specific segment of a regulated market, to which only qualified investors (as defined in the Prospectus Regulation) have access, EUR1,000 (or, if the Mortgage Covered Bonds are denominated in a currency other than euro, the equivalent amount in such currency), i.e. only in circumstances where there is an exemption from the obligation under the Prospectus Regulation to publish a prospectus. As a result, any offer of Mortgage Covered Bonds in any Member State of the EEA (each, a **Relevant Member State**) must be made pursuant to an exemption under the Prospectus Regulation, from the requirement to publish a prospectus for offers of Mortgage Covered Bonds. Accordingly any person making or intending to make an offer of Mortgage Covered Bonds in that Relevant Member State may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3(1) of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Mortgage Covered Bonds in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

Presentation of Information

In this Base Prospectus, all references to:

U.S. dollars, **U.S. $** and **$** refer to United States dollars, the currency of the United States of America;

Czech Koruna and **CZK** refer to Czech Koruna, the currency of the Czech Republic; and

EUR, **euro** and **€** refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

The definitions for the capitalised terms used in this Base Prospectus can be found using the Index of the defined terms beginning on page 337 of this Base Prospectus.

Stabilisation

In connection with the issue of any Tranche of Mortgage Covered Bonds, one or more relevant Dealers (if any) (the Stabilisation Manager(s)) (or persons acting on behalf of any Stabilisation Manager(s)) may over-allot Mortgage Covered Bonds or effect transactions with a view to supporting the market price of the Mortgage Covered Bonds 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 offer of the relevant Tranche of Mortgage Covered Bonds is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the date on which the Issuer received the proceeds of the relevant Tranche of Mortgage Covered Bonds and 60 days after the date of the allotment of the relevant Tranche of Mortgage Covered Bonds. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

Any loss resulting from over-allotment and stabilisation shall be borne, and any net profit arising therefrom shall be retained, as against the Issuer, by any Stabilising Manager for its own account.

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GENERAL DESCRIPTION OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Mortgage Covered Bonds, the applicable Final Terms.

This overview constitutes a general description of the Programme for the purposes of Article 25(1) of 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 (the **Delegated Prospectus Regulation**).

Words and expressions defined in section Form of the Mortgage Covered Bonds and section Terms and Conditions of the Mortgage Covered Bonds and, if not defined therein, in other parts of this Base Prospectus, shall have the same meanings in this overview.

Issuer:	UniCredit Bank Czech Republic and Slovakia, a.s.
Risk Factors:	There are certain factors that may affect the Issuer's ability to fulfil its obligations under Mortgage Covered Bonds issued under the Programme. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Mortgage Covered Bonds issued under the Programme. These risk factors are set out under section Risk Factors below and include: (a) Risks relating to treatment of the Cover Pool (as defined below) in insolvency of the Issuer – including, in particular, a risks associated with over-indebted Covered Block (as defined below) and the principle of dual recourse; (b) currency risk – the Mortgage Loans in the Cover Pool will primarily be denominated in Czech Koruna; (c) risks relating to the Issuer's ability to fulfil its obligations under Mortgage Covered Bonds issued under the Programme; (d) risks relating to the Czech and Slovak mortgage market and certain other market risks; and (e) certain risks relating to the structure of particular Series of Mortgage Covered Bonds.
Description:	Mortgage Covered Bond (in Czech, *hypoteční zástavní list*) Programme
Arranger:	UniCredit Bank AG
Dealers:	UniCredit Bank AG UniCredit Bank Czech Republic and Slovakia, a.s. and any other Dealers appointed in accordance with the Dealer Agreement.

Certain Restrictions:	Each issue of Mortgage Covered Bonds denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see section Subscription and Sale Subscription and Sale) including the following restrictions applicable at the date of this Base Prospectus. Mortgage Covered Bonds having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent (see section Subscription and Sale Subscription and Sale).
Principal Paying Agent:	Citibank, N.A., London Branch
Asset Monitor:	Deloitte Audit s.r.o. will act as asset monitor pursuant to the terms of an asset monitor agreement and the Czech Bonds Act (the Asset Monitor). The Asset Monitor will be required to carry out agreed upon procedures in relation to the checks and calculations performed by the Issuer in accordance with the Czech Bonds Act and the CNB Decree (see section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds below) and the Conditions (see section Issuer Covenants and section The Cover Pool below).
Programme Size:	The maximum aggregate nominal amount of all Mortgage Covered Bonds from time to time outstanding under the Programme (or, in relation to the nominal amount of any Mortgage Covered Bonds which are not denominated in euro, its equivalent in other currencies calculated as described in the Dealer Agreement) is EUR7,000,000,000 outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.
Distribution:	Mortgage Covered Bonds may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies:	Subject to any applicable legal or regulatory restrictions, Mortgage Covered Bonds may be denominated in any currency agreed between the Issuer and the relevant Dealer.
Maturities:	The Mortgage Covered Bonds will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.
Issue Price:	Mortgage Covered Bonds may be issued on a fully paid basis and at an issue price which is at par or at a discount to, or premium over, par.

Form of Mortgage Covered Bonds:	The Mortgage Covered Bonds will be issued in bearer form.
Clearing Systems:	Euroclear Bank SA/NV (Euroclear), Clearstream Banking, S.A. (Clearstream, Luxembourg), Clearstream Banking AG, Frankfurt (CBF) and/or, in relation to any Tranche of Mortgage Covered Bonds, any other clearing system as may be specified in the relevant Final Terms.
Fixed Rate Mortgage Covered Bonds:	Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.
Floating Rate Mortgage Covered Bonds:	Floating Rate Mortgage Covered Bonds will bear interest at a rate determined: (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Mortgage Covered Bonds of the relevant Series) (the **ISDA Definitions**); or (b) on the basis of the reference rate set out in the applicable Final Terms. The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Mortgage Covered Bonds. Floating Rate Mortgage Covered Bonds may also have a maximum interest rate, a minimum interest rate or both. Interest on Floating Rate Mortgage Covered Bonds in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.
Zero Coupon Mortgage Covered Bonds:	Zero Coupon Mortgage Covered Bonds will be offered and sold at a discount to their nominal amount and will not bear interest.
Redemption:	The applicable Final Terms will indicate either that the relevant Mortgage Covered Bonds cannot be redeemed prior to their stated maturity (other than for taxation reasons, illegality or invalidity or following an Event of Default) or that such Mortgage Covered Bonds will be redeemable at the option of the Issuer upon giving notice to the Mortgage Covered Bondholders on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer. Mortgage Covered Bonds having a maturity of less than one year may be subject to restrictions on their denomination and distribution, see section Certain Restrictions above.

Extended Maturity Date:

If specified in the applicable Final Terms, an Extended Maturity Date will apply to a Series of Mortgage Covered Bonds.

As regards redemption of Mortgage Covered Bonds to which an Extended Maturity Date so applies, if the Issuer fails to redeem the relevant Mortgage Covered Bonds in full on the Maturity Date (or within two Business Days thereafter), the maturity of the principal amount outstanding of the Mortgage Covered Bonds not redeemed will automatically extend on a monthly basis up to, but not later than, the Extended Maturity Date. In that event the Issuer may redeem all or any part of the principal amount outstanding of the Mortgage Covered Bonds on an Interest Payment Date falling in any month after the Maturity Date up to and including the Extended Maturity Date.

As regards interest on Mortgage Covered Bonds to which an Extended Maturity Date so applies, if the Issuer fails to redeem the relevant Mortgage Covered Bonds in full on the Maturity Date (or within two Business Days thereafter), the Mortgage Covered Bonds will bear interest on the principal amount outstanding of the Mortgage Covered Bonds from (and including) the Maturity Date to (but excluding) the earlier of the date on which the Mortgage Covered Bonds are redeemed in full or the Extended Maturity Date and will be payable in respect of the Interest Period ending immediately prior to the relevant Interest Payment Date in arrear or as otherwise provided for in the applicable Final Terms on each Interest Payment Date after the Maturity Date at the rate provided for in the applicable Final Terms.

In the case of a Series of Mortgage Covered Bonds to which an Extended Maturity Date so applies, those Mortgage Covered Bonds may for the purposes of the Programme be:

(a) Fixed Rate Mortgage Covered Bonds or Floating Rate Mortgage Covered Bonds in respect of the period from the Issue Date to (and including) the Maturity Date; and

(b) Fixed Rate Mortgage Covered Bonds or Floating Rate Mortgage Covered Bonds in respect of the period from (but excluding) the Maturity Date to (and including) the Extended Maturity Date, as set out in the applicable Final Terms.

Denomination of Mortgage Covered Bonds:

The Mortgage Covered Bonds will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Mortgage Covered Bond will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see section Certain Restrictions above, and save that the minimum denomination of each Mortgage Covered Bond will be EUR100,000 (or its equivalent in other currencies) or, where it is a Mortgage Covered Bond to be admitted to trading only on a regulated market, or a specific segment of a regulated market, to which only qualified investors (as defined in the Prospectus Regulation) have access, EUR1,000 (or, if the Mortgage Covered Bonds are denominated in a currency other than euro, the equivalent amount in such currency).

Taxation:	As specificed in the applicable Terms and Conditions, all payments in respect of the Mortgage Covered Bonds will be made with or without deduction and withholding of current or future taxes, levies or governmental charges imposed by any Tax Jurisdiction as provided in § 6 Taxes of the Terms and Conditions. All payments in respect of the Mortgage Covered Bonds will be made subject to any deduction or withholding required by FATCA, as provided in § 6 (2) of the Terms and Conditions and no additional amounts will be paid to cover the amounts so deducted.
Negative Pledge:	The terms of the Mortgage Covered Bonds will not contain a negative pledge provision.
Contractual Asset Cover Test:	For the avoidance of doubt, a breach of the Contractual Asset Cover Test will not result in an Event of Default. However, whilst such breach is continuing the Issuer must not issue any Czech Mortgage Covered Bonds which have the benefit of the Cover Pool.
Status of the Mortgage Covered Bonds:	The Mortgage Covered Bonds are mortgage covered bonds (in Czech, *hypoteční zástavní listy*) issued in accordance with Section 28 *et seq.*, Part 2, Clause III of the Czech Bonds Act. The Czech Mortgage Covered Bonds are all instruments and/or securities issued by the Issuer as mortgage covered bonds pursuant to Section 28 *et seq.*, Part 2, Clause III of the Czech Bonds Act, whether issued under and governed by Czech or foreign law and whether issued under the Programme (as the Mortgage Covered Bonds), under the Local Bond Programmes, under a programme yet to be established by the Issuer or on a standalone basis, which are then outstanding (the **Czech Mortgage Covered Bonds**, which definition includes the Mortgage Covered Bonds). The Mortgage Covered Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and with all other Czech Mortgage Covered Bonds, then outstanding and benefiting from the same Cover Pool and with all other obligations of the Issuer that have been provided the same priority as such Czech Mortgage Covered Bonds. The obligations of the Issuer arising from the Mortgage Covered Bonds can be repaid and satisfied from any assets forming the respective Cover Pool of the Issuer. Although the Mortgage Covered Bonds constitute unsecured obligations of the Issuer, in any insolvency proceedings against the Issuer, the Czech Insolvency Act provides for a special regime in respect of the obligations arising from the outstanding Czech Mortgage Covered Bonds (including Mortgage Covered Bonds issued under the Programme) issued by the Issuer (see further section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds). Each Mortgage Covered Bond will bear the designation "*hypoteční zástavní list*" to be recognised as such under the Czech Bonds Act, the CNB Decree and the Czech Insolvency Act.

Issuer's other programmes:	In addition to the Programme, as of the date of this Base Prospectus, the Issuer has a (third) CZK100,000,000,000 domestic bond programme for the issuance of both: (i) mortgage covered bonds under Czech law which satisfy the requirements of Section 28 *et seq.*, Part 2, Clause III of the Czech Bonds Act and the CNB Decree (and thus falling within the definition of the Czech Mortgage Covered Bonds); and (ii) other bonds issued under Czech law in accordance with the Czech Bonds Act; the Issuer has an inactive (second) CZK20,000,000,000 domestic bond programme with outstanding mortgage covered bonds under Czech law which satisfy the requirements of Section 28 *et seq*., Part 2, Clause III of the Czech Bonds Act and the Decree of the CNB No. 164/2014 Coll. of 30 July 2014 (in Czech, *Vyhláška České národní banky č. 164/2014 Sb., ze dne 30. července 2014*) implementing certain provisions of the Czech Bonds Act, as replaced by the CNB Decree (the **Previous CNB Decree**) (and thus falling within the definition of the Czech Mortgage Covered Bonds); the Issuer, acting through its branch in Slovakia, has an inactive EUR5,000,000,000 domestic bond programme for the issuance of (i) mortgage covered bonds (in Slovak, *hypotekárne záložné listy*) under Slovak law which satisfy the requirements of Section 14 *et seq.* of the Slovak Act No. 530/1990 Coll., on Bonds, as amended (the **Slovak Bonds Act**) as well as the requirements of Section 28 *et seq*., Part 2, Clause III of the Czech Bonds Act and the CNB Decree (and thus falling within the definition of the Czech Mortgage Covered Bonds) and (ii) other bonds issued under Slovak law in accordance with the Slovak Bonds Act (the **Local Bond Programmes**). All Mortgage Covered Bonds issued by the Issuer under the Programme, Czech Mortgage Covered Bonds issued under the Local Bond Programmes and any other Czech Mortgage Covered Bonds issued by the Issuer and, in each case, which are then outstanding: (i) have, and will have, the benefit of a statutory priority under the Czech Bonds Act, the CNB Decree and the Czech Insolvency Act over a single Cover Pool maintained by the Issuer; and (ii) constitute and will constitute unsubordinated obligations of the Issuer and will rank *pari passu* among themselves and with all other obligations of the Issuer that have been provided the same priority as Czech Mortgage Covered Bonds.
Issuer Covenants:	The Issuer covenants in favour of the Mortgage Covered Bondholders in connection with the value and maintenance of the Cover Pool and its compliance with certain other key obligations imposed on it under the Czech Bonds Act, the CNB Decree and the Slovak Banking Act (see section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds and section The Cover Pool). In addition, the Issuer also covenants, amongst other things, to ensure that it does not breach the Statutory Tests and the Contractual Asset Cover Test (see section The Cover Pool – Statutory Tests and section The Cover Pool – Contractual Asset Cover Test). Pursuant to the Czech Bonds Act and the CNB Decree (as to which see further section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds), the Issuer may

create, at its sole discretion and subject to the Statutory Tests and the Contractual Cover Test, one Cover Pool or multiple Cover Pools, in which case the Issuer has to specify which Czech Mortgage Covered Bonds (or other Czech covered bonds issued by the Issuer in accordance with the Czech Bonds Act) should be covered by each Cover Pool. As of the date of this Base Prospectus, the Issuer has only one Cover Pool, which provides cover for all Czech Mortgage Covered Bonds. Therefore, all holders of Czech Mortgage Covered Bonds issued by the Issuer and then outstanding (regardless of whether they are Mortgage Covered Bonds issued under the Programme or mortgage covered bonds issued under the Local Bond Programmes or on a standalone basis or otherwise) will all have the benefit of the same Cover Pool.

As of the date of this Base Prospectus, the Issuer is in the process of updating one of its Czech Local Bond Programmes and may, in the future, also update the other Local Bond Programmes under which it has issued, and may issue further, Czech Mortgage Covered Bonds. The Issuer may also operate further programmes for the issuance of Czech Mortgage Covered Bonds (other than this Programme and the Local Bond Programmes) in the future or it may also issue Czech Mortgage Covered Bonds on a standalone basis. Therefore, the Cover Pool must be maintained in a way that satisfies and complies with the terms and conditions and legal requirements applicable to all Czech Mortgage Covered Bonds then outstanding.

Assets included in the Cover Pool may not, according to the Czech Bonds Act and the CNB Decree (as to which see further section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds), be transferred, pledged or otherwise used as a collateral.

In addition, the Issuer covenants that assets included in the Cover Pool satisfy all of the Statutory Eligibility Criteria (see section The Cover Pool– Composition of Assets Contractual Eligibility Criteria for Eligible Assets (the **Statutory Eligibility Criteria**)) and the Contractual Eligibility Criteria (see section The Cover Pool– Composition of Assets – Contractual Eligibility Criteria for Eligible Assets).

Rating:

The Issuer may issue Mortgage Covered Bonds rated by Moody's, rated by other rating agency or unrated. Where a Series of Mortgage Covered Bonds is rated, such rating will be disclosed in the applicable Final Terms and will not necessarily be the same as the ratings assigned to other Tranches of Mortgage Covered Bonds. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Moody's appends long-term obligation ratings at the following levels: Aaa, Aa, A, Baa, Ba, B, Caa, Ca and C. To each generic rating category from Aa to Caa Moody's assigns the numerical modifiers "1", "2" and "3". The modifier "1" indicates that the bank is in the higher end of its letter-rating category, the modifier "2" indicates a mid-range ranking and the modifier "3" indicates that the bank is in the lower end of its letter-rating category. Moody's also has the option of adding further guidance (referred to as "under review") as to whether a rating is likely to be upgraded (possible upgrade), downgraded (possible downgrade) or uncertain

	(direction uncertain). Outlooks are assigned indicating the direction of any pressure. Characteristics are positive, negative, stable and developing. Moody's short-term ratings are opinions of the ability of issuers to honour short-term financial obligations and range from P-1, P-2, P-3 down to NP (Not Prime).
Approval, Listing and Admission to Trading:	Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made for Mortgage Covered Bonds issued under the Programme to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. Mortgage Covered Bonds may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the Series. Mortgage Covered Bonds which are neither listed nor admitted to trading on any market may also be issued. The applicable Final Terms will state whether or not the relevant Mortgage Covered Bonds are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.
Governing Law:	Subject to the principles set out below in section Czech Law applicable to the Mortgage Covered Bonds, the Mortgage Covered Bonds will be governed by, and construed in accordance with, German law.
Czech Law applicable to the Mortgage Covered Bonds	The Mortgage Covered Bonds, although otherwise governed by, and construed in accordance with, German law, will be subject to and will benefit from those provisions of the Czech Bonds Act, the CNB Decree, the Czech Insolvency Act and any other provisions of Czech law applicable to or relevant for the Czech Mortgage Covered Bonds. Therefore, the Mortgage Covered Bonds will need to satisfy requirements of Sections 28 *et seq.*, Part 2, Clause III of the Czech Bonds Act and the Cover Pool and its maintenance will be governed by Czech law. Also, Section 375 of the Czech Insolvency Act and other relevant provisions of the Czech Insolvency Act will apply to the Mortgage Covered Bonds and the Covered Blocks in the case of insolvency proceedings against the Issuer.
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Mortgage Covered Bonds in the United States, the EEA (including the Czech Republic), the United Kingdom, Japan and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Mortgage Covered Bonds, see section Subscription and Sale.
United States Selling Restrictions:	Regulation S, Category 2. TEFRA C/ TEFRA D/TEFRA not applicable, as specified in the applicable Final Terms.

RISK FACTORS

In purchasing Mortgage Covered Bonds, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Mortgage Covered Bonds. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due in respect of the Mortgage Covered Bonds. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified in this Base Prospectus a number of factors which could materially adversely affect its business or ability to make payments due under the Mortgage Covered Bonds.

In addition, factors which have been identified as material for the purpose of assessing the market risks associated with Mortgage Covered Bonds issued under the Programme are also described in the list below.

Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.

The risk factors are presented in the individual categories depending on their nature with the most material risk factor presented first in each category.

FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER MORTGAGE COVERED BONDS ISSUED UNDER THE PROGRAMME

Risks related to the external conditions under which the Issuer conducts its business

Risks related to the overall economic conditions in Europe

The financial strength and profitability of the Issuer's business could be adversely affected by worsening conditions in the global financial markets and global economy, particularly in the European Union (the **EU**), including the Czech Republic and Slovakia. Such a potential economic and financial downturn may be caused by various factors including, among others, investors' sentiment, low interest rates levels, inflation development, the availability and cost of credit, the liquidity on the global financial markets and the volatility of equity prices. All of these factors are able to significantly affect investors' appetite for bank financing and customers' ability to service or refinance their outstanding debt. There are many possible scenarios that investors should be aware of, for example (i) an economic downturn could adversely affect the quality of the Issuer's on-balance sheet and off-balance sheet assets and consequently lead to higher loan loss provisions, goodwill impairments and as such to a lower profitability of the Issuer, (ii) the unfavourable market sentiment could cause the Issuer to incur mark to market losses in its trading portfolios or (iii) a prolonged market downturn could have a negative impact on the fees the Issuer earns for managing clients' assets and, similarly, on the in-flows of assets under management. Additionally, significantly higher interest rates could adversely affect the long-term funding facilities.

Following the UK's withdrawal from the EU, further anti EU political movements may become attractive and it cannot be excluded that one or more countries could in the future intend to leave the EU or the Eurozone, which could lead to partial unwinding of the European integration or result in the euro to ceasing to exist as the single currency of the Eurozone. Also, separatist tendencies in certain regions of the EU have attracted renewed popularity since 2017. Should such regions declare independence, it may have far reaching geopolitical consequences as well as a significant adverse effect on the stability and economy of the relevant EU Member States and the EU. This could also adversely affect the banking system.

If the economic or political conditions deteriorate due to, among other things, concerns over the European economy, a slow-down of economic growth, one or more countries leaving the EU or the Eurozone, European separatism, or a return of the European sovereign debt crisis, the resulting market disruptions could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base or prospects.

Also, the recent outbreak of the coronavirus SARS-CoV-2 (**COVID-19**) and its development into a global pandemic has had and is expected to continue to have major economic consequences for the EU economy. Even though the full impact of the COVID-19 outbreak is, at the moment, very difficult to assess, it has already damped

economic activity and eroded financial conditions across the European countries. The following table shows the gross domestic product (**GDP**) growth of selected European countries in the years 2018, 2019 and 2020.[1]

	Year		
	2020	**2019**	**2018**
Country		*(in per cent.)*	
Czech Republic	(5.6)	2.3	3.2
Slovakia	(4.8)	2.5	3.7
Germany	(4.8)	0.6	1.3
Italy	(8.9)	0.3	0.9
France	(8.1)	1.5	1.8
Spain	(10.8)	2.0	2.4
Austria	(6.6)	1.4	2.6

Measures implemented by government authorities of the EU Member States to discourage or prohibit the movement of people are severely affecting many sectors and also largely contributes to the negative impact that the COVID-19 outbreak has on financial markets and level of economic activity in the EU. If the impact is severe or prolonged, it may result in greater volatility, reduced liquidity, widening of credit spreads and a lack of price transparency in credit markets.

Besides that, there can be no guarantee that any similar pandemics or outbreaks will not occur in the future or that the effects of the current global pandemic will not deteriorate further. If such pandemics or outbreaks occur in the future, these may result in similar or more adverse effects as the COVID-19 pandemic, and could result in similar or further adverse effects on the EU economy.

Any of these developments and the increased political and economic uncertainty accompanying them have had and could continue to have a material adverse effect on the European and global economy and financial sector. Instability in global financial and foreign exchange markets may reduce the overall market liquidity which may in extreme circumstances lead to a credit crunch and severe financial distress of key market participants. Overall, the economic outlook continues to be subject to a number of risks and, hence, may prove to cause increased market volatility together with detrimental fluctuations in asset values or currency exchange rates or result in the European market sliding back into a recession , thus negatively affecting the market participants (including the Issuer), which could adversely affect the Issuer's business, results of operations, financial condition and cash flows, and could negatively impact the value of the Mortgage Covered Bonds.

The United Kingdom's departure from the European Union could adversely affect the Issuer

The UK has left the EU as of 31 January 2020 (**Brexit**) and the transition period ended on 31 December 2020. Therefore, the Treaty on the European Union and the Treaty on the Functioning of the European Union have ceased to apply to the UK.

The Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community dated 24 January 2020 provided the UK with a transitional period until 31 December 2020, during which the UK was bound by EU rules despite not being its member state and remained in the single market area, while the future terms of the UK's relationship with the EU were being negotiated. On 24 December 2020, the EU and the UK agreed on the Trade and Cooperation Agreement (the **Trade and Cooperation Agreement**), which sets out the principles of the relationship between the EU and the UK following the end of the transitional period. The Trade and Cooperation Agreement was ratified by the Council of the European Union on 30 January 2021 and approved by the European Parliament on 29 February 2021. Given the recent agreement on the wording of the Trade and Cooperation Agreement, the exact terms of the Trade and Cooperation Agreement, its practical application and the overall relationship of the UK and the EU is not fully clear. Any of these effects of Brexit, and others which cannot be anticipated, could adversely affect the Issuer's business, results of operations, financial condition and cash flows, and could negatively impact the value of the Mortgage Covered Bonds.

[1] Source: Eurostat data available at: https://ec.europa.eu/eurostat/databrowser/view/NAMA_10_GDP__custom_78848/bookmark/table?lang=en&bookmarkId=7681260e-2f75-4cd7-a153-02fc89543f2c

Social, economic or political developments in the Czech Republic or Slovakia could adversely affect the Issuer

The Issuer's operations in the Czech Republic and Slovakia are exposed to a wide range of risks arising from currency fluctuations, regulatory changes, level of inflation, deflation, economic recession, local market disruption, social unrest, changes in disposable income or gross national product, variations in interest rates, changes in tax policy, economic growth and other similar factors. The adverse effects of these factors could lead to an increase in defaults by the Issuer's customers resulting in a deterioration of the Issuer's earnings. Political developments or changes in the fiscal policy in the Czech Republic or Slovakia could have an adverse effect on the overall economic and political stability of these countries. As substantially all of the Issuer's business is conducted in the Czech Republic and Slovakia and the majority of the Issuer's operating income is generated in the Czech Republic, the Issuer is particularly exposed to the macroeconomic or other factors that may affect growth in the Czech and Slovak banking markets and the credit worthiness of Czech and Slovak retail and corporate customers. There can be no assurance that any political or economic instability will not occur in the Czech Republic or Slovakia or that any such instability will not adversely affect the Issuer's business. Any of these developments or a sovereign downgrade of the Czech Republic's or Slovakia's rating, a decrease in the amount of customers or a decline in the credit worthiness of these customers could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

Also, as of the date of this Base Prospectus, the Czech economy is profoundly influenced by the COVID-19 outbreak and the measures adopted to prevent and limit the spread of the disease, causing the outlook to be very uncertain. Based on the Macroeconomic Forecast of the Ministry of Finance of the Czech Republic published on 14 April 2021[2], it is expected that the economic activity will gradually recover, and the economic performance is expected to rise by 3.1 per cent. in 2021[3] supported by the creation of gross fixed capital, recovery of reserves and general government consumption. Based on the forecast that the CNB announced on 6 May 2021, the level of inflation is expected to be 2.4 per cent. In the second quarter of 2022 and 2.2 per cent. in the third quarter of 2022.

The Czech government is introducing support measures that would alleviate the impact on both businesses and households with the aim of preventing long term damage to the productive capacity. Nevertheless, the positive forecasts referred to above might not materialize and the Czech economy might not avoid a deep recession which could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base or prospects.

The COVID-19 outbreak affects not only the current condition of the Slovak economy, but also affects its outlook for the upcoming years. Measures taken in relation to slowing down the spread of the disease have had and are likely to continue to have negative impact on the Slovak economy.

Based on the Macroeconomic Forecast of the Ministry of Finance of the Slovak Republic published in March 2021[4], the second wave of the COVID-19 pandemic is expected to decrease the GDP growth in 2021 to 3.3 per cent. The labour market remains stable in the second wave of the COVID-19 pandemic. The Slovak economy is expected to increase by 6.3 per cent. in 2022 in comparison with 2021, mainly due to funds from the EU Recovery and Resilience Plan. A negative development risk can be the need for a hard lockdown and the logistical problems of vaccination. On the contrary, stimulus packages in the EU are expected to have a positive effect on Slovak exports. The aforementioned positive forecasts might, however, not materialize due to unexpected further deteroration of the COVID-19 pandemic.

Furthermore, on 6 May 2020, Fitch Credit Ratings Agency has downgraded Slovakia's long-term foreign-currency issuer default rating (IDR) to 'A' from 'A+', with stable outlook and on 6 November 2020 changed the outlook to negative.[5] As to the date of this Base Prospectus, uncertainty about future developments remains high. Despite the fact the Slovak government has introduced various support measures and subdues to mitigate negative economic impacts on businesses and households, a deep recession of the Slovak economy as well as potential prolongation or reoccurrence of the COVID-19 pandemic in 2021 could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base or prospects.

[2] Source: Macroeconomic Forecast of the Ministry of Finance of the Czech Republic available at: https://www.mfcr.cz/en/statistics/macroeconomic-forecast/2021/macroeconomic-forecast-april-2021-41565
[3] Source: Forecast of the CNB available at: https://www.cnb.cz/en/monetary-policy/forecast/
[4] Source: Macroeconomic Forecast of the Ministry of Finance of the Slovak Republic available at: https://www.mfsr.sk/sk/financie/institut-financnej-politiky/ekonomicke-prognozy/makroekonomicke-prognozy/55-zasadnutie-vyboru-makroekonomicke-prognozy-marec-2021.html
[5] Source: Fitch Credit Ratings Agency available at: https://www.fitchratings.com/entity/slovakia-80442238

The Issuer depends on credit conditions in the client sector

A major share of the Issuer's operating income consists of its net interest income, which, in turn, consists, for the most part, of net income from customer loan credit conditions and of interest income from debt securities. The net interest income of the Issuer for the year ended 31 December 2020 was CZK 12.1 billion (for the year ended 31 December 2019: CZK 14.6 billion). Credit conditions in the client sector largely depend on factors beyond the Issuer's control, such as the overall economic output and macroeconomic situation in the Czech Republic and Slovakia or regulation conducted by Czech, Slovak and/or European policy makers, the Czech National Bank (the **CNB**), the National Bank of Slovakia (the **NBS**) and the European Central Bank (the **ECB**). Although the Issuer applies a conservative business model and credit policy, any deterioration of credit conditions in the client sector or part thereof could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base or prospects.

The Issuer competes against several large international financial institutions and may face increased competition from less established banks or new entrants

As banking and financial services markets in Central and Eastern Europe (the **CEE**), and in the Czech Republic and Slovakia in particular, are becoming increasingly saturated, the Issuer may experience increased competition from both global financial institutions and local competitors, which may lead to reductions in interest rate margins, pricing of loans and other products, fee and commission income and business volumes, as well as increased costs of deposits and other funding. Currently, the Czech and Slovak banking markets are highly concentrated. Although there are only a few competitors comparable in size and scope of business to the Issuer, the Issuer may also face increased competition from less established banks and financial institutions or new entrants seeking to offer more attractive interest or deposit rates or other aggressively priced products to penetrate the market. The Czech and Slovak banking markets continue to see the emergence of low-cost banks primarily focused on providing internet-based banking services.

In addition, the year of 2021 marks a consolidation trend in the Czech banking sector, including (i) the acquisition of Equa Bank a.s. by Raiffeisen Bank International AG (through Raiffeisenbank a.s.), which is expected to close around the end of the second quarter of 2021, (ii) re-contracting of retail customers of ING Bank N.V. by Raiffeisenbank a.s., (iii) acquisition of Wüstenrot – stavební spořitelna a.s. and Wüstenrot hypoteční banka a.s. by MONETA Money Bank, a.s. and (iv) the proposed merger of MONETA Money Bank, a.s. and Air Bank a.s.

In addition, the competition landscape in the payments market has been affected by Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market (the **PSD2**), which entered into force on 13 January 2018 and which aims to further develop the integrated internal market for electronic payments within the EU. Under the PSD2, among other things, banks are required to grant access to a customer's online account and payment services to third-party providers. This enables customers to choose these providers instead of the bank maintaining their account for so-called (i) account information services, for example the display of information regarding one or more bank accounts maintained with one or more banks, providing to customers better overview of their financial position, and (ii) payment initiation services, that is initiation of electronic payments between bank accounts, for example to a merchant. Although the initial response of the market to the PSD2's implementation has been slow, the spread of PSD2-compliant services may result in increased competition in the payments markets. This could negatively affect the market share and the related transaction fees of banks, including the Issuer, in this market.

The Issuer's ability to compete effectively will depend on the ability of its businesses to adapt quickly to these new market and industry trends, including product offerings, customer behaviour and legal developments, such as the adoption of the PSD2. The Issuer continuously monitors its business in order to adapt to such trends, but various factors could adversely impact the implementation of such business initiatives, including failure to identify new products or customer demands in time or at all, misinterpretation of anticipated trends, flawed assumptions underlying such initiatives or unsuccessful execution of implementation measures. If the Issuer fails to compete effectively with either local competitors, large international financial institutions or new financial services providers entering the market as a result of, among other things, the PDS2, it may have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

The Basel III framework may affect the capital requirements or the liquidity associated with a holding of the Mortgage Covered Bonds for certain investors and the Issuer may incur substantial costs in monitoring and complying with new capital adequacy requirements

In 1988, the Basel Committee on Banking Supervision (the **Basel Committee**) adopted capital guidelines that explicitly link the relationship between a bank's capital and its credit risks. In June 2006 the Basel Committee finalised and published new risk-adjusted capital guidelines (**Basel II**). Basel II includes the application of risk-weighting which depends upon, amongst other factors, the external or, in some circumstances and subject to approval of supervisory authorities, internal credit rating of the counterparty. The revised requirements also include allocation of risk capital in relation to operational risk and supervisory review of the process of evaluating risk measurement and capital ratios.

Basel II has not been fully implemented in all participating jurisdictions. The implementation of the framework in relevant jurisdictions may affect the risk-weighting of the Mortgage Covered Bonds for investors who are or may become subject to capital adequacy requirements that follow the framework. The Basel II framework was implemented in the European Union by the Directive 2006/48/EC and Directive 2006/49/EC on the capital adequacy of investment firms and credit institutions (the **Capital Adequacy Directives**). The Basel Committee on Banking Supervision has approved a sequence of major reforms to the Basel II framework (the set of reform measures being commonly referred to as **Basel III**) which envisages a substantial strengthening of existing capital rules, including new capital and liquidity requirements intended to reinforce capital standards and to establish minimum liquidity standards and minimum leverage ratios for financial institutions. In particular, the changes include amongst other things, new requirements for the capital base, measures to strengthen the capital requirements for counterparty credit exposures arising from certain transactions and the introduction of a leverage ratio as well as short-term and longer-term standards for funding liquidity (referred to as the Liquidity Coverage Ratio (**LCR**) and the Net Stable Funding Ratio (**NSFR**)). Basel III set an implementation deadline on member countries to implement the new capital standards from January 2013, the new LCR from January 2015 and the NSFR from January 2018. The changes approved by the Basel Committee may have an impact on the capital requirements in respect of the Mortgage Covered Bonds and on incentives to hold the Mortgage Covered Bonds for investors that are subject to requirements that follow the revised framework and, as a result, they may affect the liquidity and value of the Mortgage Covered Bonds.

Basel III has been implemented in the European Union by Directive 2013/36/EU of the European Parliament and of the Council on access to the activity of credit institutions and the prudential supervision of credit institutions and investments firms (**CRD IV**) and Regulation 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (**CRR**). CRD IV and CRR were published in the Official Journal of the European Union on 27 June 2013. Most of the provisions in CRD IV and CRR took effect on 1 January 2014.

In December 2017, the Basel Committee published its final revised standards for calculating the risk exposure amount, also known as Basel IV. The Basel Committee recommends, among others, that constraints on internal models and the revised standardised approaches should be implemented beginning in 2022. However, the political process that should eventually lead to the implementation of the recommendations in the EU has started only recently, and the outcome thus remains uncertain.

In general, investors should consult their own advisers as to the regulatory capital requirements in respect of the Mortgage Covered Bonds and as to the consequences for and effect on them of any changes to the Basel II framework (including the Basel III as well as the possible Basel IV changes described above) and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

In relation to the COVID-19 outbreak, the ECB stated in a press release dated 12 March 2020[6] that the Pillar 2 requirements could also be met by partial use of capital instruments that do not qualify as CET1, for example AT 1 or Tier 2 instruments (see Banking Regulation - Capital Adequacy Requirements below for further information).

The requirements of the NSFR set out criteria for a minimum amount of stable resources to cover illiquid assets and contingent liabilities in the medium term (i.e. more than one year). The binding minimum standard for the NSFR is part of Regulation (EU) 2019/876 amending the CRR and adopted together with Directive (EU) 2019/878 amending CRD IV (**CRD V**), Directive (EU) 2019/879 amending the BRRD (as defined below) (**BRRD II**) and

[6] Source: https://www.bankingsupervision.europa.eu/press/pr/date/2020/html/ssm.pr200312~43351ac3ac.en.html

Regulation (EU) 2019/877 and will enter into force on 28 June 2021. The level at which the NSFR is set may have an adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base or prospects.

There is no certainty as to the final framework for, or the timing of, the capital adequacy standards that will be ultimately developed and implemented, and the Issuer may incur substantial costs in monitoring and complying with the new capital adequacy requirements. The new capital adequacy requirements may also impact existing business models. In addition, there can be no assurances that breaches of legislation or regulations by the Issuer will not occur and, to the extent that such a breach does occur, that significant liability or penalties will not be incurred.

The Issuer is subject to the Czech Resolution and Recovery Act, implementing the BRRD and setting out a bank recovery and resolution framework which is intended to enable a range of actions to be taken in relation to credit institutions considered to be failing or at risk of failing. The implementation of any action under it could materially affect the Issuer and/or the value of any Mortgage Covered Bonds

Directive 2014/59/EU providing for the establishment of an EU-wide (which for these purposes includes the UK) framework for the recovery and resolution of credit institutions and investment firms (the **Bank Recovery and Resolution Directive** or **BRRD**) designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or relevant entity. This is so as to ensure the continuity of the relevant entity's critical financial and economic functions, while minimising the impact of a relevant entity's failure on the economy and financial system.

The powers set out in the BRRD will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. The BRRD was implemented in Czech law by the Act No. 374/2015 Coll., on resolution and recovery of banks and other financial institutions (the **Czech Resolution and Recovery Act**), which came into effect from 1 January 2016 and provides for a framework for the recovery and resolution of Czech banks and investment firms.

The Czech Resolution and Recovery Act provides for a special resolution regime applicable to Czech banks (such as the Issuer) and distinguishes between two basic sets of measures. These measures are crisis prevention measures (in Czech, *opatření k předcházení krizí*) and crisis resolution measures (in Czech, *opatření k řešení krize*). Responsibility for operation of the Czech Resolution and Recovery Act rests almost exclusively with the CNB as the competent resolution authority whilst the Ministry of Finance of the Czech Republic has some joint powers together with the CNB in adopting and applying the government stabilisation tools (including the temporary public ownership (nationalisation) of all or part of a Czech bank). The Czech Resolution and Recovery Act enables the CNB to intervene in failing Czech banks or Czech banks which are likely to fail and also deals with certain other discrete matters. The measures and procedures were implemented into Czech law by the Czech Resolution and Recovery Act without substantial deviations from the BRRD.

The exercise of any power under the Czech Resolution and Recovery Act or any suggestion of such exercise could, therefore, materially adversely affect the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation and/or the rights of Mortgage Covered Bondholders, the price or value of their investment in any Mortgage Covered Bonds and/or the ability of the Issuer to satisfy its obligations under the Mortgage Covered Bonds. For a detailed description of the powers available under the BRRD, as implemented in the Czech Resolution and Recovery Act, see section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds.

The recent outbreak of COVID-19 could adversely affect the Group's business

The ongoing outbreak of the COVID-19 and its development into a global pandemic, coupled with the measures implemented by relevant government authorities to contain it, such as closing of public services, travel restrictions, border controls and other measures to discourage or prohibit the movement of people, have had and are further expected to have a material and adverse impact on the Czech, Slovak and global financial markets and on the level of economic activity in the Czech Republic, Slovakia and the world economy as of the date of this Base Prospectus.

The possible economic downturn can have a significant negative effect on the banking sector both in the Czech Republic and Slovakia, including the Issuer. This may take the form of a reduction in private consumption and

corporate investment and, at the same time, an increase in the unemployment rate and may therefore adversely affect the quality of the Issuer's loan portfolio and, as a result, adversely affect the Issuer's business and economic situation.

The extent of the risk posed by COVID-19 in the future is unclear; if the impact of the virus is severe or prolonged and the restrictions imposed due to COVID-19 continue for extended periods of time, this may result in greater volatility but also in reduced liquidity, widening of credit spreads and lack of price transparency in credit markets. This may have a materially adverse impact on the Issuer's financial performance and position in future.

Due to an update of the macro-scenarios for individual European countries, which were prepared by the UniCredit Group and which took into account the negative expectations caused by COVID-19, there was also an update of the forward looking information component of expected credit loss calculation, according to IFRS 9, which was implemented and updated by the Issuer throughout the year 2020. Due to this update, there was an increase in total expected credit loss as of 31 December 2020 in the amount of approximately CZK 1,175 million, which can be considered primarily as an effect caused by the COVID-19 outbreak. Coverage ratio increased to 2.33 per cent. The information provided in this paragraph is assessed by the Issuer on a consolidated basis.

COVID-19 also lead to the change of the risk classification of part of the lending portfolio. Due to a significant increase of credit risk related to COVID-19, the Issuer, as of 31 December 2020, transferred credit exposures from Stage 1 to Stage 2 in the total amount of CZK 22,218 million (compared to 18,967 in 2019). Due to the negative effects of the COVID-19 pandemic, the costs of risk in 2020 amounted to CZK 2,798 million.

The following table shows the transfer of gross carrying amount between Stage 1, Stage 2 and Stage 3 in respect of corporate and retail customer loans for the years 2020 and 2019.

31 December 2020

(in CZK millions)	**Corporate Customer Loans**			**Retail Customer Loans**		
	Transfer to					
	Stage 1	**Stage 2**	**Stage 3**	**Stage 1**	**Stage 2**	**Stage 3**
Transfer of Gross carrying amount from Stage 1	(23,327)	17,997	5,330	(4,666)	4,221	445
Transfer of Gross carrying amount from Stage 2	3,623	(5,799)	2,176	2,920	(3,242)	322
Transfer of Gross carrying amount from Stage 3	148	117	(265)	162	90	(252)

31 December 2019

(in CZK millions)	**Corporate Customer Loans**			**Retail Customer Loans**		
	Transfer to					
	Stage 1	**Stage 2**	**Stage 3**	**Stage 1**	**Stage 2**	**Stage 3**
Transfer of Gross carrying amount from Stage 1	(18,165)	15,097	3,068	(4,298)	3,870	428
Transfer of Gross carrying amount from Stage 2	4,533	(5,218)	685	1,702	(1,901)	199
Transfer of Gross carrying amount from Stage 3	395	109	(504)	318	109	(427)

Legend: **Stage 1** includes financial assets with a credit risk which has not increased significantly since initial recognition, as well as assets with low credit risk at the balance sheet date. The 12-month expected credit losses (or shorter depending on the maturity of the instrument) are recognised for these assets. Interest income is calculated on the basis of the gross carrying amount of assets. **Stage 2** includes credit exposures that, although performing, have seen their credit risk significantly deteriorating since initial recognition. Full lifetime expected credit losses are recognised for these assets. Interest income is calculated on the basis of the gross carrying amount of assets. **Stage 3** includes impaired credit exposures. Full lifetime expected credit losses are recognised for these assets. Interest income is calculated on the basis of the net carrying amount of assets. This category includes non-performing receivables.

As shown in the migration tables above, the year 2020 is worse mainly in the higher migration from Stage 2 to defaulted Stage 3. In the corporate segment that reacts faster on the macroeconomic slowdown is the amount of new defaults migrating from Stage 2, more than tripling the volume from 2019, i.e. from CZK 0.7 billion to CZK 2.2 billion. Direct migration from Stage 1 to Stage 3 increased as well in the corporate segment by 74 per cent. (from CZK 3 billion to CZK 5.3 billion).

The 2020 development of migration between stages is rather neutral in the retail segment. Increased migration to Stage 3 (mainly from Stage 2) can be seen but there is also increased migration from Stage 2 to Stage 1. Due to frequent law moratoria utilization in 2020, there may be delayed identification of defaults during the year 2021.

All of the above, as well as other potential consequences of COVID-19 which may yet manifest, should the situation in relation to COVID-19 further deteoriate, may have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

The Czech legislative measures taken in response to COVID-19 pandemic will have effect on the Issuer's business

In response to the COVID-19 pandemic, the lender had the option to notify the lender of its intention to take advantage of general moratorium (in Czech, *ochranná doba*) (the **Moratorium**) under the Act No. 177/2020 Coll., on credit repayment measures in connection with COVID-19 (the **COVID-19 Loan Moratorium Act**), the Moratorium was to apply from the first day of the following calendar month after the notice date until (i) 31 October 2020 or (ii) 31 July 2020, provided that the borrower notified its intention to use such a shortened Moratorium period.

As one of the Issuer's principal activity as a bank is providing loans, the COVID-19 Loan Moratorium Act and the institute of Moratorium in particular has had an impact on its business, including by having a significant influence on the development of the overall risk profile. It cannot be assumed with certainty that the Moratorium will not be renewed in the event of lasting consequences of COVID-19, which would reduce the Issuer's liquidity. As at 31 December 2020, after the expiry of the Moratorium in the Czech Republic and for some clients also in Slovakia, loans in the amount of CZK 3,420 million were overdue for more than 30 days.

Another risk that the Issuer may face as a result of the COVID-19 Loan Moratorium Act is the risk of reduced liquidity. Due to the temporary loss of the Issuer's income from principal and interest payments in the case of consumer loans and the temporary loss of principal payments in the case of entrepreneur loans, the Issuer's liquidity will be reduced. Although the Issuer's loan to deposit ratio as of 30 April 2021 was 110 per cent, the future impacts cannot be fully predicted. Should the Issuer incur unexpected and significant expenses in connection with the COVID-19 pandemic, the lack of liquidity may affect the Issuer's ability to bear these costs. Although the Ministry of Finance of the Czech Republic declared on 15 January 2021 that it does not intend to enforce a new Moratorium, it cannot be assumed with certainty. As of 31 December 2020, 16,538 clients in the Czech Republic and Slovakia (combined) have opted for the Moratorium, whereas the aggregate amount of the loans affected by the Moratorium as of 31 December 2020 was CZK 44.6 billion.

Even though the Moratorium period is now over, there is a risk that a number of debtors will default on the repayments of their loans in the coming months and the Issuer will have to incur additional costs connected with creating provisions. This risk is compounded by the reinstatement of the restrictions in the second and subsequent waves of the COVID-19 outbreak in 2020 and 2021.

Furthermore, under the Czech Act No. 191/2020 Coll., on Certain Measures Aiming to Mitigate the Negative Impact of the COVID-19 Pandemic on Persons Taking Part in Court Proceedings, Injured Persons, Crime Victims and Natural Persons and on Changes to the Insolvency Act and the Czech Act No. 120/2001 Coll., on Court-Appointed Distrainers and Distraining Activities (the **COVID-19 Insolvency Act**), a debtor's obligation to file for insolvency was suspended for the duration of the relevant extraordinary measures taken by the Czech government to combat the spread of COVID-19. This suspension shall last for the duration of such extraordinary measures and a further period of six months thereafter, although not beyond 30 June 2021, the date having been pushed from the original date of 31 December 2020 by the Czech Act No. 460/2020 Coll. (the **COVID-19 Insolvency Amendment Act**), amending the COVID-19 Insolvency Act and the Czech Act No. 182/2006 Coll., on Insolvency and Method of its Resolution (the Insolvency Act), as amended (the **Czech Insolvency Act**).

Under the COVID-19 Insolvency Act, as amended by the COVID-19 Insolvency Amendment Act, any debtor with its centre of main interests in the Czech Republic that was solvent as of 12 March 2020 had the opportunity, until the end of August 2020, to file for an extraordinary insolvency moratorium (the **Insolvency Moratorium**). The Insolvency Moratorium could have lasted for up to three months, but could be extended by an additional three months with the consent of a majority of the debtor's creditors.

The Czech Insolvency Act as amended by the COVID-19 Insolvency Act and COVID-19 Insolvency Amendment Act states that debtors are now entitled to file for an Insolvency Moratorium until 30 June 2021 assuming that the

debtor was not insolvent as of 5 October 2020 and has not previously filed for the Insolvency Moratorium under the Czech Insolvency Act. The Czech Insolvency Act as amended by the Covid-19 Insolvency Amendment Act also stipulates that if an Insolvency Moratorium in relation to a particular debtor was declared before the end of August 2020, the condition requiring the approval of creditors for an extension of the Insolvency Moratorium will not apply and the court may extend the duration of the Insolvency Moratorium by no more than an additional three months solely upon the debtor's request. Furthermore, the COVID-19 Insolvency Amendment Act prolonged the period during which a court may not enforce its decision by selling immovables.

In addition, debtors were temporarily protected from insolvency petitions filed by their creditors as any such petitions filed until 31 August 2020 were disregarded and no entries of commencement of insolvency proceedings were made in the online Insolvency Register. Creditors had to file a new insolvency petition starting in September 2020 to effectively commence insolvency proceedings. It remains to be seen how many insolvency petitions with respect to the Issuer's clients will be relaunched.

The changes implemented by the COVID-19 Insolvency Act, as amended by the COVID-19 Insolvency Amendment Act, as well as other potential future legislative changes adopted in relation to COVID-19, could have an adverse effect on the Issuer's business, as the Issuer may find itself unable to file insolvency petitions against non-performing debtors, thereby increasing time it would take to satisfy the Issuer's claims in the event of the debtor's bankruptcy. This, in turn, may have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base or prospects.

The Slovak legislative measures taken in response to COVID-19 pandemic may have effect on the Issuer's business

The presence of the COVID-19 virus may have a material adverse effect on the Issuer's banking activities, economic environment and developments in financial markets. Forced closure of brick-and-mortar branches, restriction of travel and introduction of quarantine may have a serious effect on the Issuer's ability to maintain its banking activities. The Issuer's clients could be forced to limit and/or terminate their operations, or in the case of individuals to lose their wage income, which may result in a significant deterioration in their ability to repay their obligations vis-à-vis the Issuer and lead to an increase in volume of non-performing loans.

Slovak legislators introduced legislative measures in the fight against COVID-19 (the **COVID-19 Legislation**), some of which have a negative effect on the Issuer's financial situation, revenues and prospects and its business.

Some of the measures, such as a general prohibition of realisation or enforcement of security, or the stay on repayment of loan principals and interests owed to the creditors, which were adopted by the Slovak Parliament are no longer effective. Others, such as the temporary protection of entrepreneurs, were replaced by a more robust legislation, which aims to achieve similar effect.

On 8 December 2020, the Slovak Parliament has adopted an Act No. 421/2020 Coll., on temporary protection of entrepreneurs in economic hardship (the **Act on Temporary Protection**), which became effective on 1 January 2021.

An entrepreneur, who has a centre of main interests in Slovakia, who meets certain statutory requirements, may apply for a temporary protection (for a 3-month term, which may be further extended) from its creditors. In order to benefit from the temporary protection, an entrepreneur must file an application with the relevant court, where the entrepreneur also confirms that a temporary protection has been approved by a majority of its creditors (calculated on the basis of the amount of their receivables). The main effects of granting the temporary protection include:

(a) no commencement of bankruptcy proceedings;

(b) no enforcement of pledge against the entrepreneur under the temporary protection; or

(c) limited termination of the agreements with entrepreneurs under temporary protection.

Under the Act on Temporary Protection, any entrepreneur may apply for protection until 31 December 2022. It is also difficult to predict what the impact on the Issuer's obligors (and in consequence on the Issuer and its business) will be after termination of the temporary protection as significant number of them may still face financial

difficulties and may end up insolvent and subject to bankruptcy or restructuring proceedings. This could have negative impact on the Issuer, its business and its financial condition.

The changes implemented by the Act on Temporary Protection could have an adverse effect on the Issuer's business, as the Issuer may find itself unable to file insolvency petitions against non-performing debtors, thereby increasing time it would take to satisfy the Issuer's claims in the event of the debtor's bankruptcy. This, in turn, may have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base or prospects.

Risks related to the Issuer's business

The Issuer is exposed to volatility in interest rates and interest spread risk

Like most commercial banks, the Issuer earns interest from loans and other assets, and pays interest to its depositors and lenders. Banks, including the Issuer, usually make loans at interest rates that are different from the interest rates paid on deposits and borrowed funds. If the Issuer's interest spread, i.e., the difference between the rate of interest that the Issuer pays on funds from depositors and lenders and the rate of interest that it charges on loans it grants to its customers, decreases, its net interest income will also decrease, unless the Issuer is able to compensate by increasing the total amount of funds it lends to customers. A decrease in rates charged to customers will often have a negative effect on the interest spread, particularly when interest rates on deposit accounts are already very low, because the bank has little ability to make a corresponding reduction in the interest it pays to depositors and lenders.

Furthermore, an increase in rates charged to customers can also negatively impact interest income if it reduces the amount of customer borrowings. A decrease in the general level of interest rates may affect the Issuer through, among other things, increased pre-payments on its loan portfolio and increased competition for deposits. Interest rates are sensitive to many factors beyond the Issuer's control, including monetary policies implemented by the ECB and the CNB, as well as domestic and international economic and political conditions. Central banks' interest rate cuts could also lead to a further compression of interest spreads. Overall, large decreases in interest rates can be expected to have an adverse effect on the Issuer's net interest income and continued low interest rates will make it more difficult to achieve growth. For example, most European banks have recently been adversely influenced by low interest rates set by the ECB and volatile interest spread. Since 2017, the CNB had been increasing its repo rate to as high as 2.25 per cent, in February 2020 (from the initial 0.25 per cent, as of August 2017). In March 2020, the CNB adopted a set of measures to stabilize the domestic economy after the COVID-19 outbreak, including steep interest rate cuts, which brought the repo rate to 1.00 per cent. In May 2020, the CNB adopted additional measures, including further interest rate cut, with the repo rate decreased to 0.25 per cent. On 23 June 2021, the CNB increased the repo rate to 0.50 per cent, effective from 24 June 2021.

Deposits usually have shorter maturities than loans and, therefore, can adjust to changing interest rates faster than loans. Accordingly, interest rates paid by banks, including the Issuer, on shorter term deposits tend to increase faster than the rates banks can earn from their loans. As a result of this mismatch between loans and deposits, a decrease in, or instability of, the interest rates charged on loans may have an adverse effect on the Issuer's net interest income. In addition, for competitive reasons, the Issuer may also choose to raise the rates of interest it pays on deposits without being able to make a corresponding increase in the interest rates it charges to its customers or re-price the securities portfolio at the same time. If the Issuer is unable for any reason to re-price or adjust the rates on its interest earning assets in response to changes in rates on its interest bearing liabilities in an expedited or an effective manner as a result of economic or other reasons, the Issuer's interest income margins would be adversely affected, which could have a material adverse effect on its business, results of operations, financial condition, liquidity, capital base or prospects.

The Issuer is dependent on its banking and other licences

The banking and other operations performed by the Issuer require it to obtain licences from the CNB, the NBS and other Czech or Slovak authorities. A large majority of the Issuer's business depends on its banking licence granted by the CNB. If the Issuer loses its general banking licence, it will be unable to perform any banking operations, especially in the Czech Republic and Slovakia. Although the Issuer believes that it has the necessary licences for its banking and other operations and that it is currently in compliance with its existing material licence and reporting obligations, there is no assurance that it will be able to maintain the necessary licences in the future. The loss of a licence, a breach of the terms of any licence or failure to obtain or renew any required licences in

the future could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

Risks related to the group interdependence

The Issuer's business is interwoven on many levels with that of the group comprised of UniCredit S.p.A. and its direct and indirect subsidiaries including the Issuer (the **UniCredit Group**). The mutual ties are established, among others, through numerous refinancing arrangements, competence centres for individual business segments to which the Issuer has access, cross-holdings, implementation of group-wide IT systems, mutually shared products and standards, as well as through funding measures regarding the capital of the Issuer. Economic problems of the UniCredit Group, particularly of the Issuer's parent company UniCredit S.p.A. or any of its direct or indirect subsidiaries, could result in a risk of reduction of capital and liquidity support for the Issuer. Moreover, there is a risk that a downgrade of UniCredit S.p.A.'s credit ratings could also have a negative effect on the investors' perception of the Issuer. Furthermore, deterioration of the financial performance of the Issuer's parent company, UniCredit S.p.A., or any of its direct or indirect subsidiaries could, in turn, adversely affect the Issuer's own business. The materialization of any of such risks relating to the UniCredit Group could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

The Issuer is exposed to the risk of defaults by counterparties

The Issuer is exposed to the risk that borrowers or other counterparties may not be able to meet their obligations owed to the Issuer. Counterparties include, among others, brokers and dealers, commercial banks, investment banks and other institutional as well as retail customers. Exposures can arise through trading, lending, deposit taking, clearance and settlement and other financing activities and relationships.

The Issuer considers the following to be the most substantial sources of its credit risk:

- portfolio concentration, both at the level of individual borrowers or economically connected groups, as well as at sector level, particularly in the area of commercial real estate financing;
- risk of external shocks on the residential real estate market; and
- risk of other than expected macroeconomic developments affecting the creditworthiness of corporate clients and available household income.

With regards to the structure of the receivables from clients, the Issuer's loan portfolio as of 31 December 2020 may be characterized as follows:

- approx. 68 per cent. of the portfolio was comprised of receivables from corporate clients and approx. 32 per cent. of receivables from retail clients;
- the level of exposure to default was at 3.29 per cent. for the entire portfolio, and was lower for retail receivables as opposed to corporate receivables;
- the most frequently represented client sectors in the Issuer's loan portfolio were private individuals, real estate financing, wholesale, energy and financial services;
- 84.4 per cent. of the Issuer's credit exposure vis-à-vis retail clients was comprised of receivables from mortgage loans provided to non-business individuals;
- the rate of exposure to default differed across the individual sectors (highest in transport and services and lowest in the telecommunication industry), but it did not exceed 6.5 per cent. in any of the ten largest sectors (reported at the Czech and Slovak bank portfolio only); and
- more than one half of the Issuer's loan portfolio comprised receivables from clients with the risk of default below 1 per cent (reported at the Czech and Slovak bank portfolio only).

As of the same date, the average exposure-weighted probability of default on receivables from performing clients was approximately 1.64 per cent. However, changes in economic conditions caused by the COVID-19 outbreak may give rise to number of the Issuer's defaulting clients which may then adversely affect the structure of the Issuer's loan portfolio. Moreover, the future development of these figures cannot be predicted with certainty.

The Issuer may incur losses if its counterparties default on their obligations. If losses arising from a counterparty's default significantly exceed the amounts of the Issuer's provisions, this could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base or prospects. This risk may be exacerbated if the collateral held by the Issuer cannot be realised or can only be liquidated at prices below the level necessary to recover the full amount of the loan, derivative or other contractual exposures.

The value of collateral securing the Issuer's loans and advances may not be sufficient to recover the full amount of any such loans and advances in the event of a default

Deterioration in economic conditions in the Czech Republic or Slovakia or a decline in certain markets (either related to the COVID-19 outbreak or not) may reduce the value of collateral securing the Issuer's loans and advances, thus increasing the risk that the Issuer would not be able to recover the full amount of any such loans and advances in the event of a default.

Since 2014, the Czech real estate market in both residential and commercial segments has been in a growing phase of the market cycle.

Despite the regulatory actions by the CNB setting out, among other things, limitations on the provision of mortgage loans above a certain LTV (loan-to-value) ratio and introducing income requirements on mortgage applicants, the demand in the residential segment continues to be high and driven by low mortgage rates, good availability of mortgages as well as by low yields of other investments, while the supply is limited especially by constraints of developers to deliver new residential units on the market. Further, the relatively low cost of funding, together with the positive economic development, have supported growth of commercial properties. These factors have resulted, among other things, in growth of prices being stronger than growth of rents. However, growth may not continue going forward or may be replaced with a decline once the cycle changes which is very likely, considering the possible outcomes of the influence of the COVID-19 outbreak.

The growth of real estate prices has recently prevailed also in Slovakia. However, trends in Slovakia are more differentiated than in the Czech Republic depending on the location of the property. While prices have recently increased in economically stronger regions and cities, such as Bratislava or Košice, regions with poorer economic performance have had a more stable development and partly even slightly decreasing prices. However, an increasing demand from both institutional investors and private individuals has been recently dominant in the Slovak market.

Since there is a return towards a downturn in economic conditions in the Czech Republic or Slovakia due to the negative impact of the COVID-19 outbreak, further declines in the value of collateral securing real property loans, including mortgage loans, are more likely to occur and may result in the Issuer's loan portfolio impairment losses increasing materially.

In its press release dated 27 May 2021, the CNB stated that it estimates that apartments in the Czech Republic remain overvalued by as much as 25% in selected localities with a high share of investment apartments.[7] Declines in the value and liquidity of collateral securing loans, including mortgage loans, could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base or prospects.

Furthermore, the Issuer undertakes certain types of lending without tangible collateral, relying only on personal guarantees, which may not be sufficient to cover the outstanding amount following a default. As of 31 December 2020, approximately 72.5 per cent. of the Issuer's loans (where the exposures at default include off-balance after application of conversion factor) were materially uncollateralised (measured at the Czech and Slovak bank portfolio only). In the case of a default of such a loan, the Issuer has only limited recourse to collateral with limited liquidation value. If a large proportion of these borrowers were to default due to deteriorating economic conditions or otherwise, this could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base or prospects.

[7] Source: https://www.cnb.cz/en/cnb-news/press-releases/CNB-leaves-mortgage-limits-unchanged-and-will-increase-countercyclical-capital-buffer-rate-to-1/

The Issuer is exposed to liquidity risk

The Issuer's business is subject to liquidity risks that could affect the Issuer's ability to meet its financial obligations as they fall due or to fulfil its commitments to lend. The liquidity risk encompasses both the risk with respect to the ability to finance the Issuer's assets by instruments with an appropriate repayment date, as well as its ability to sell its assets for an acceptable price within an acceptable time horizon.

In order to ensure that the Issuer continues to meet its funding obligations and to maintain or grow its business generally, it relies on diversified sources of funding including customer savings, term deposits, outstanding securities, accepted loans, as well as shareholder equity.

The ability of the Issuer to access retail and wholesale funding sources on favourable economic terms is dependent on a variety of factors, including a number of factors outside of its control, such as liquidity constraints, general market conditions, especially continued volatility in the international financial markets, and confidence in the Czech and Slovak banking system.

The large sovereign debts and fiscal deficits in certain European countries have raised concerns regarding the financial condition of European financial institutions and their exposure to such countries. Generally, concerns about a potential default by one financial institution can lead to significant liquidity problems, losses for, or defaults by, other financial institutions. Defaults by large financial institutions, such as credit institutions or insurance undertakings, could adversely affect the financial markets. The financial soundness of many financial institutions may be closely interrelated as a result of credit-granting, trading, clearing or other relationships between the particular institutions. As a result, concerns about, or a default by, one or more large financial institutions could lead to significant market-wide liquidity problems resulting in losses or defaults by other financial institutions and also to a need for the Issuer to raise additional capital while at the same time making it more difficult to do so.

If concerns over sovereign and financial institutions' solvency continue, or if the conditions further deteriorate, there is a danger that interbank funding may become generally unavailable or available only at elevated interest rates, which might impact the Issuer's access to, and cost of, funding. Should the Issuer be unable to continue to source a sustainable funding profile, the Issuer's ability to fund its financial obligations at a competitive cost, or at all, could be adversely affected. This could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

The Issuer relies on customer deposits, which are mostly short-term or demand deposits, as its primary source of funding

The Issuer relies on customer deposits to meet a substantial portion of its funding requirements. The majority of the Issuer's deposits are corporate deposits, a significant proportion of which are demand deposits. As of 31 December 2020, the Issuer's deposits from customers (mainly time deposits and demand deposits) comprised 73 per cent. of its total liabilities on a consolidated basis and, within this portion of the Issuer's deposits from customers, 95 per cent. were demand deposits that may be withdrawn at any time without penalty. Such deposits are subject to fluctuation due to factors outside of 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 as a reaction to factors outside its control, which may result in liquidity gaps that the Issuer may not be able to cover. Any material decrease in deposits could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

A change in the ECB or the CNB collateral standards could have an adverse effect on the funding of the Issuer and its access to liquidity

The ECB and the CNB currently accept certain debt instruments, such as sovereign bonds or debt instruments issued by central banks, as collateral for repo operations. If the ECB or CNB were to impose more stringent requirements or conditions on the determination of eligible collateral or if they were to increase the rating requirements for securities posted as collateral, it could materially increase the Issuer's funding costs and limit the Issuer's access to liquidity, especially if deposits or other sources of liquidity are inadequate in the short term. This could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, or prospects.

The Issuer is exposed to foreign exchange and currency risks

As of 31 December 2020, approximately 41.6 per cent. of the Issuer's assets and 46.4 per cent. of the Issuer's liabilities (on a consolidated basis) were denominated in foreign currencies, particularly in EUR and USD. The Slovak organizational branch of the Issuer carries out its activities primarily in EUR. The Issuer translates such assets and liabilities, as well as interest earned or paid on such assets and liabilities, and gains or losses realised upon the sale of such assets, to CZK when preparing its financial statements. The overall effect of exchange rate movements on the Issuer's results of operations depends on the rate of depreciation or appreciation of CZK against its principal trading and financing currencies, i.e., EUR and USD.

As a protection against open foreign exchange risk, the Issuer has established a system of currency risk limits based on its net currency exposure in the individual currencies. These limits are adjusted on a continuous basis. With effect as of 1 January 2021, the Issuer set a currency risk limit with respect to the total net currency exposure as well as to the individual main currencies, i.e. EUR70 million, and with respect to the USD of the equivalent of EUR25 million. For the other major currencies, i.e. CHF, GBP and JPY, a limit of EUR17 million applies. For the group of currencies comprised of BAM, BGN, HRK, HUF, RON, RSD, RUB and TRY, the aggregate group limit has been set to equivalent of EUR15 million. Minor currencies limits are grouped as well under the limit of EUR10 million. Although the Issuer sets such limits, manages its foreign exchange positions accordingly and performs certain other measures aimed at reducing exchange rate risk, including, among others, entering into foreign exchange derivative contracts, these measures may not be effective and the fluctuations in exchange rates could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, or prospects.

The Issuer is subject to risks in its trading activities

The Issuer holds open positions in certain financial instruments, including financial derivatives and other securities. The consolidated trading results including results of currency trading of the Issuer for the year 2020 were CZK1.859 billion. The majority of the Issuer's business activities are conducted according to the requirements of its customers. Depending on the estimated demand of its customers, the Issuer holds a certain supply of financial instruments and maintains access to the financial markets through the quoting of bid and offer prices and by trading with other market makers. These positions are also held for the purpose of speculation on the expected future development of financial markets. The Issuer's business strategy is thus affected by speculation and market making and its goal is to maximise net income from trading. The Issuer may be exposed to a number of risks related to changes in the value of such financial instruments, including the risk of unfavourable market price movements relative to its investment positions, a decline in the market liquidity of the related instruments, volatility in market prices, interest rates or foreign currency exchange rates relating to these positions and the risk that the instruments with which the Issuer chooses to hedge certain positions do not track the market value of those positions. If the Issuer incurs any losses from these exposures, this could reduce the Issuer's income or cause the Issuer to suffer losses, either of which could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base or prospects.

The Issuer faces the possibility of losses from operational risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

The Issuer's business operations are dependent on the ability to process a large number of complex transactions across different markets in many currencies. Operational losses, including monetary damages, costs, and direct and indirect financial losses or write-downs, may result from inadequacies or failures in internal processes, systems, e.g., ICT systems, licences from external suppliers, fraud or other criminal actions, employee errors, outsourcing, failure to properly document transactions or agreements with customers, vendors, sub-contractors, co-operation partners and other third parties, or to obtain or maintain proper authorisation, or from customer complaints, failure to comply with regulatory requirements, including, among others, to anti-money laundering, data recording, data protection and antitrust regulations, conduct of business rules, equipment failures, failure to protect its assets, including intellectual property rights and collateral, failure of physical and security protection, natural disasters or the failure of external systems, including those of the Issuer's suppliers or counterparties and failure to fulfil its obligations, contractual or otherwise.

The Issuer's business operations are subject to the same operational risks during the COVID-19 pandemic period. During this time, the extent of the operational risks is not greater, however the impact can worsen the effect of

certain risks (e.g. lack of personnel, IT service availability dependency), which are handled with additional mitigation measures. The Issuer maintains a standard business continuity pandemic plan, which is activating all necessary preventive and emergency measures based on the decisions of its Crisis Committee.

There can be no assurances that risk controls and other actions implemented by the Issuer to mitigate exposures or losses will be effective in controlling each of the operational risks faced by the Issuer, or that the Issuer's reputation will not be damaged by the occurrence of any operational risks.

As a part of its banking activities, the Issuer provides its customers with investment advice, access to internally as well as externally managed funds and serves as custodian of third-party funds. In the event of losses incurred by its customers due to investment advice from the Issuer, or the misconduct or fraudulent actions of external fund managers, the Issuer's customers may seek compensation from the Issuer. Such compensation might be sought even if the Issuer has no direct exposure to such risks, or has not recommended such counterparties to its customers. Any claims in this respect could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base or prospects.

The Issuer faces significant ICT risks inherent in the banking business

The Issuer is dependent on information and communication technology (**ICT**) systems. The ICT systems are vulnerable to a number of problems, such as software and hardware malfunctions, malicious hacking, physical damage to vital ICT centres and computer virus infection. If the ICT systems fail, even for a short period of time, the Issuer may be unable to service some or all of its customers' needs on a timely basis and could thus lose business and potential income. Likewise, a temporary failure of the ICT systems could result in higher internal costs associated with the recovery of the systems. ICT systems require regular upgrading to meet the needs of changing business and regulatory requirements, to remove vulnerabilities and software errors and to keep pace with the growth of banks' and financial institutions' existing operations and possible expansion into new business lines and markets. The Issuer and its service providers may not be able to implement necessary upgrades on a timely basis, and upgrades may fail to function as planned. The Issuer's ICT systems architecture is complex due to past mergers, which may hinder its future development.

The unification and implementation of new ICT systems may have a material adverse effect on the Issuer's operational risk profile. In addition to costs incurred as a result of any failure or interruption of its ICT systems, the Issuer could face fines from the CNB if its ICT systems fail to enable it to comply with the applicable banking or other regulations. There can be no assurances that the procedures and controls put in place by the Issuer will be effective in preventing or managing all risks relating to the ICT systems of the Issuer. This could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

The Group is exposed to cyber risk and other unauthorised access of its internal and customer data

The scale of the Issuer's business and nature of its operations requires the Issuer to receive, process and store significant volumes of confidential information about its customers, employees and counterparties, all of which needs to be safeguarded against loss, damage, mismanagement or unauthorised disclosure. Despite the Issuer's security measures and data protection mechanisms, its information technology and infrastructure may be vulnerable to cyber-attacks by hackers or breaches due to employee error, malfeasance or other disruptions. Any such breach could compromise the Issuer's networks and the information stored there could be accessed, modified, publicly disclosed, lost or stolen. Any such access, modification, disclosure or other loss of information could damage the Issuer's reputation and result in regulatory sanctions and other liability for breach of data protection laws. Such breach may, among other things, result in significant fines under applicable data protection laws. Cyber-attacks could also result in the loss of internal communication or communication with the Issuer's customers, which may result in reduced productivity and a loss of revenues. In addition, it could cause the Issuer's service to be perceived as not being safe, thereby harming the Issuer's reputation and deterring current and potential customers from using the Issuer's services. Cyber-attacks may also prevent the Issuer from discharging its contractual or regulatory obligations. The materialisation of any of these risks could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

The Issuer's risk management strategies and procedures may prove insufficient or fail

The Issuer's strategies and procedures for managing credit risk, country risk, market risk, liquidity risk and operational risk may prove insufficient or fail. Some of the Issuer's methods for managing risk are based upon observations of historical market behaviour. The Issuer also applies statistical techniques to observations to arrive at quantifications of its risk exposures. However, these methods may not accurately quantify the Issuer's risk exposures. As additional information becomes available, the Issuer may need to make additional provisions if default rates are higher than expected. If circumstances arise whereby the Issuer did not identify, anticipate or correctly evaluate certain risks in developing its statistical models, losses could be greater than the maximum losses envisaged under its risk management system.

In addition, if any of the instruments and strategies that the Issuer uses to hedge its exposure to various types of risk is not effective, the Issuer may incur losses. Unexpected market developments may also adversely affect the effectiveness of the Issuer's hedging strategies, and the Issuer may choose not to hedge all of its risk exposures in all market environments or against all types of risk. In addition, the methodology by which gains and losses resulting from certain ineffective hedges are recorded may result in additional volatility in the Issuer's reported results of operations.

Any material deficiency in the Issuer's risk management or other internal control policies or procedures may expose it to significant credit, liquidity, market or operational risk and material unanticipated losses, which may in turn have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

Risks related to the regulatory environment

Changes and developments in laws or regulations in the Czech Republic, Slovakia and the EU, including legislation relating to the financial and banking sectors, may have a material adverse impact on the Issuer

The Issuer is subject to a number of laws and regulations in a number of jurisdictions where it conducts its operations, particularly the Czech Republic and Slovakia. Such laws and regulations include, among other things, banking regulation designed to maintain the safety and financial soundness of banks and limit their exposure to risk, regulations relating to financial services, securities products and other businesses, tax, accounting and financial reporting regulation, anti-money laundering, consumer credit, capital requirements or corporate requirements regulation.

For example, in August 2016, the CNB increased the capital requirements for five Czech banks, including the Issuer, because they are considered to be of systemic importance to the Czech banking system. As a result, the systemic risk buffer of the Issuer was increased by 1.0 per cent. to 2.0 per cent. as from 1 January 2017, thereby increasing the Issuer's costs of complying with capital adequacy regulation.

As a result of new and more demanding regulatory requirements and other changes in legislation, the Issuer may need to increase its capital or debts eligible to meet the minimum capital requirement and eligible liabilities, increase retained earnings or reduce risk-weighted assets, for example through their sales, or stop participating in certain activities. These facts could lead to a reduction in the Issuer's ability or complete inability to meet its debts.

Although the Czech government has withdrawn from the introduction of a sector-specific tax or similar measures that would, if imposed, result in additional tax liabilities of banks in the Czech Republic, there can be no assurance that such measures that would result in additional tax liabilities of the Issuer will not be introduced in the Czech Republic or Slovakia, nor can there be any assurance that any such measures, if introduced, will not have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

The above and any further regulatory changes may result in additional material costs for the Issuer and significantly impact its capital resources and requirements. As such, they may adversely affect the Issuer by, among other things, restricting the type or volume of transactions the Issuer may enter into, set limits on, or require the modification of, rates or fees that the Issuer charges on loans or other financial products. The Issuer may also face increased compliance costs and material limitations on its ability to pursue business opportunities. All these factors may have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

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

The Issuer must comply with national and international rules and regulations regarding money laundering, anti-corruption and the financing of terrorism. In recent years, these rules and regulations have been tightened and may be further tightened and more strictly enforced in the future. Compliance with these rules and regulations puts a significant financial burden on banks and other financial institutions and poses significant technical problems. Any violation of these or similar rules, or even the suspicion of such violations, may have severe legal, monetary and reputational consequences, including sanctions imposed by the CNB or the NBS, and thus could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects, or reputation.

Non-compliance with the General Data Protection Regulation (GDPR), or stricter interpretation of the existing requirements or future modifications of the data protection laws, could have a negative impact on the Issuer's business

With effect as of 25 May 2018 the Issuer's operations and services need to comply with Regulation (EU) 2016/679, General Data Protection Regulation (the **GDPR**), which generally imposes uniform rules on all market participants operating within the EU and strict sector specific rules under the e-Privacy Directive (Directive 2002/58/EC). GDPR implements a stricter data protection compliance regime and substantially increases fines for a breach of data protection regulation. Under GDPR, data protection agencies have the right to audit the Issuer and impose orders and fines, up to EUR20 million, or up to 4 per cent. of the worldwide annual revenue for the previous financial year, if they find that the Issuer has not complied with applicable laws and adequately protected customer data. As of the date of this Base Prospectus, there are few official guidelines available that would indicate how data protection agencies will evaluate and investigate non-compliance issues and a degree of uncertainty therefore remains in this regard. As such, there can be no assurance that the Issuer is fully compliant with GDPR in all aspects of its operations. Any difference in interpretation of the GDPR by the data protection agencies resulting in the Issuer's non-compliance with GDPR or any other applicable data protection laws, or any limitations imposed by stricter interpretation of the existing requirements or by future modifications of the data protection laws, could have a significant impact on the Issuer's business operations and its ability to market products and services to existing or potential customers. As such, the materialisation of any of the above could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

Insolvency and other laws and regulations governing creditors' rights in the Czech Republic and Slovakia may limit the Issuer's ability to obtain payments on defaulted credits

Insolvency proceedings in the Czech Republic and Slovakia often take several years and the level of the creditors' recovery is relatively low. Therefore, the Issuer cannot ensure that its rights as a creditor in insolvency proceedings will be adequate to enable the Issuer to successfully collect amounts owed by debtors. Moreover, the Issuer's litigation costs stemming from insolvency proceedings of its borrowers or counterparties may increase substantially as a result of any newly adopted and untested procedures and potential changes in the regulation.

The process of collateral enforcement in the Czech Republic and Slovakia is rather costly and often takes several years. As a result, the Issuer may be unable to enforce in a timely manner, for reasonable costs or at all, collateral securing loans and other credit extended by the Issuer, including mortgage loans. This could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

Legal and regulatory claims could have an adverse impact on the Issuer's business

In the ordinary course of its business, the Issuer is subject to regulatory oversight and liability risk. The Issuer carries out operations through a number of legal entities mainly in the Czech Republic and Slovakia and is subject to regulation in these countries.

Non-compliance with, or any breaches of, such regulation expose the Issuer to the risk of various claims, disputes, legal proceedings or governmental investigation. Moreover, the Issuer is involved in a variety of claims, disputes, legal proceedings and governmental investigations in jurisdictions where it is active. These types of claims and

proceedings expose the Issuer to monetary damages, direct or indirect costs, including legal costs, direct or indirect financial loss, civil and criminal penalties, loss of licences or authorisations, or loss of reputation, as well as the potential for regulatory restrictions on its businesses, all of which could have a material adverse effect on the Issuer's business, financial condition, results of operations, liquidity, capital base, prospects or reputation.

Risks relating to the Issuer's Cover Pool

The Mortgage Covered Bondholders share the Issuer's Cover Pool with the holders of all Czech Mortgage Covered Bonds issued by the Issuer

The Mortgage Covered Bonds are not guaranteed by any person and constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, which will rank *pari passu* among themselves and with all other Czech Mortgage Covered Bonds issued by the Issuer, then outstanding and benefiting from the same Cover Pool and with other obligations of the Issuer that have been provided the same priority as the Mortgage Covered Bonds.

Pursuant to the Czech Bonds Act, the Issuer may create one Cover Pool, providing cover for all Czech Mortgage Covered Bonds (and other Czech covered bonds issued by the Issuer in accordance with the Czech Bonds Act) or several Cover Pools, in which case the Issuer has to specify which Czech Mortgage Covered Bonds (or other Czech covered bonds issued by the Issuer in accordance with the Czech Bonds Act) should be covered by each Cover Pool. As of the date of this Base Prospectus, the Issuer has only created one Cover Pool. Therefore, all holders of Czech Mortgage Covered Bonds (the **Czech Mortgage Covered Bondholders**) will have the benefit of the same Cover Pool.

The Issuer has other bond programmes, the Local Bond Programmes, under which it has issued Czech Mortgage Covered Bonds including (until 31 December 2017) mortgage covered bonds issued pursuant to Slovak Bonds Act (the **Slovak Mortgage Covered Bonds**) and Slovak Act No. 483/2001 Coll., on Banks (the **Slovak Banking Act**) which at the same time qualify as Czech Mortgage Covered Bonds. The Issuer may also issue further Czech Mortgage Covered Bonds in the future on a standalone basis or otherwise.

If the Mortgage Covered Bondholders declared their Mortgage Covered Bonds due and demanded their immediate redemption in accordance with their terms, the proceeds of the Issuer's Cover Pool would be distributed among all Czech Mortgage Covered Bondholders (including Slovak Mortgage Covered Bondholders), whose Czech Mortgage Covered Bonds or Slovak Mortgage Covered Bonds were accelerated or became due and payable. This may result in Mortgage Covered Bondholders receiving less than the total interest and principal they were expecting in respect of the Mortgage Covered Bonds. Although the Issuer will comply with the Statutory Tests and the Contractual Asset Cover Test (each as defined and described in section The Cover Pool below), there can be no assurance that the Cover Assets and the Accessory Assets (each as defined below in section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – 3 Cover Assets and Statutory Cover Tests) which are eligible assets for the purposes of the Czech Bonds Act and which comprise the Cover Pool will have sufficient value to meet all payments due in respect of the Czech Mortgage Covered Bonds (including Slovak Mortgage Covered Bonds).

Receivables from mortgage loans governed by Slovak law included in the Issuer's Cover Pool are primarily designated under Slovak law to cover the receivables under Slovak Mortgage Covered Bonds and interaction of Czech law governing the Cover Pool and Slovak law governing the Slovak cover pool is not clear

Pursuant to the Slovak Banking Act, in its wording effective until 31 December 2017, each Slovak mortgage bank had to finance at least 90 per cent. of its mortgage loans regulated by Section 68 et seq of the Slovak Banking Act (in Slovak, *hypotekárny úver*) in the wording effective until 31 December 2017 (the **Slovak Regulated Mortgage Loans**) through Slovak Mortgage Covered Bonds. The NBS may have granted a temporary exemption from this rule and decrease the financing ratio requirement to a minimum of 70 per cent. The receivables from the Slovak Regulated Mortgage Loans will primarily cover the liabilities of the Issuer arising under the Slovak Mortgage Covered Bonds issued by the Issuer (which are different from the Mortgage Covered Bonds issued under this Programme). The Issuer has obtained a consent from the NBS to apply the lower financing ratio of 70 per cent. Consequently, only 30 per cent. of the amount of receivables from the Issuer's Slovak Regulated Mortgage Loans that are included in the Cover Pool may be effectively used for covering the Mortgage Covered Bonds issued under this Programme. In other words, a portion of at least 70 per cent. of the Slovak law governed receivables from the Slovak Regulated Mortgage Loans must be included in the cover pool maintained under Slovak law for

the existing Slovak Mortgage Covered Bonds of the Issuer and the receivables from the Slovak Regulated Mortgage Loans although technically being part of the Cover Pool, could not therefore be used for covering the Mortgage Covered Bonds under the Programme. The interaction of Czech law governing the Cover Pool and Slovak law governing the Slovak cover pool for the Slovak Mortgage Covered Bonds is not clear. However, a likely outcome in practice is that the Mortgage Covered Bondholders would be able to benefit from all Cover Assets, including receivables from the Slovak Regulated Mortgage Loans, included in the Cover Pool *pari-passu* with the holders of the Slovak Mortgage Covered Bonds of the Issuer, but it cannot be ruled out that a court assesses the matter differently and decides that the Mortgage Covered Bondholders would only be able to benefit from those receivables included in the Cover Pool which are not used for covering the Slovak Mortgage Bonds of the Issuer.

As of 1 January 2018, a substantially new Slovak regulation of mortgage loans and covered bonds came into effect. In particular, the Slovak Regulated Mortgage Loans (and Other Slovak Mortgage Loans) no longer have to be partly financed via issue of Slovak Mortgage Covered Bonds and the Issuer ceased to be able to issue new Slovak Mortgage Covered Bonds through its Slovak branch. However, the Slovak Mortgage Covered Bonds and Slovak Regulated Mortgage Loans existing as of 31 December 2017 are governed by legal regulations applicable as of this date as described above, until they are fully paid-up. Consequently, the risk described above arising from including of the Slovak Regulated Mortgage Loans in the cover pool maintained under Slovak law only applies with respect to the legacy portfolio existing as of 31 December 2017 (including), whilst the Issuer cannot exclude that it would include new Slovak Mortgage Loans into the legacy cover pool maintained under Slovak law.

The CNB may take action if it determines that there are Shortcomings in the Issuer's activities whilst operating as a bank

If the CNB discovers Shortcomings (i.e., "shortcomings in the activities" of the Issuer as defined and described in section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – 7 Consequences of Certain Issuer's shortcomings), which include, for instance, violation of the general prudential requirements, such as failure by the Issuer to comply with or remedy the breach of the applicable tests set out in the Czech Bonds Act (i.e., the Statutory Tests) (as defined and described in section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – 3 Cover Assets and Statutory Cover Tests below), the CNB may, for as long as the Issuer holds its banking licence and until insolvency proceedings have been opened against the Issuer, impose a Measure (as defined and described in section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – 7 Consequences of Certain Issuer's shortcomings) upon the Issuer. As a result of the imposition of a Measure, the Issuer may be restricted in, or prohibited from, certain trades which would represent a risk for the Issuer, including that the Issuer may not be allowed to issue further Mortgage Covered Bonds or Czech Mortgage Covered Bonds, refinance the existing Mortgage Covered Bonds or any other Czech Mortgage Covered Bonds or make any payments under the Mortgage Covered Bonds or any other Czech Mortgage Covered Bonds to any party or the Issuer may have to cease payments only to those parties who are closely associated with the Issuer or persons who are a part of the same consolidated unit or Connected Persons (as defined and described in section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – 7 Consequences of Certain Issuer's shortcomings below) to the Issuer.

Therefore, there can be no assurance, upon the CNB having discovered the Shortcoming, and consequently, having imposed the Measure, that the Issuer will be able to issue further Mortgage Covered Bonds, refinance existing Mortgage Covered Bonds, make payments under the Mortgage Covered Bonds or comply with any other obligations the Issuer has under the Conditions. During such period the Mortgage Covered Bondholders might have no access to the Cover Pool.

In addition, if any of the Mortgage Covered Bondholders are persons who are closely associated with the Issuer or persons who are a part of the same consolidated unit or Connected Persons (as defined and described in section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – 7 Consequences of Certain Issuer's shortcomings below) to the Issuer, such Mortgage Covered Bondholders are unlikely to receive payments under the Mortgage Covered Bonds and will not have immediate recourse to the Cover Pool, provided that the relevant Measure has been imposed by the CNB and for as long as that Measure is in effect.

The Mortgage Covered Bondholders' position might deteriorate as a result of the transfer of assets included in the Cover Pool and the transfer of the Issuer's obligations under the Mortgage Covered Bonds

If the Issuer is failing or is likely to fail and it is beyond the reach of less drastic remedial action to prevent such failing than the application of crisis resolution measures (as described in section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – 8 Czech Resolution and Recovery Act below), the CNB may, pursuant to the Czech Resolution and Recovery Act (which implements the BRRD) (as defined below), adopt a set of crisis prevention measures (in Czech, *opatření k předcházení krizí*) and crisis management measures (including crisis resolution measures and actions and the appointment of a special manager) (in Czech, *opatření k řešení krize*). The crisis resolution measures and tools include, among other things, a transfer of business measure, a transfer to a bridge institution measure and a transfer to an asset management entity measure which can be achieved through various share and property transfers (as also described in section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – 8 Czech Resolution and Recovery Act below). The approval of the respective Issuer's creditors for such transfers is not required. There is a risk that these transfers may affect the Issuer's assets that are included in the Cover Pool or the Issuer's obligations under the Mortgage Covered Bonds (or any other Czech Mortgage Covered Bonds).

However, the Czech Resolution and Recovery Act provides for various protections from the effect of partial property transfers. Under the Czech Resolution and Recovery Act, a transfer or passage of property, rights and liabilities under legal arrangements or relationships that qualify as "protected rights and liabilities", may not provide for the transfer or passage of some, but not all, of such "protected rights and liabilities" from legal arrangements or relationships. The "protected rights and liabilities" under legal arrangements or relationships under the Czech Resolution and Recovery Act in turn comprise, irrespective of number of parties or their governing law and no matter if the reason for their creation and continuation is contractual or statutory, among other things, covered bonds as well as structured finance arrangements, including securitisations and instruments used for hedging which form an integral part of the Cover Pool and which are secured in a way similar to the covered bonds.

Although the Issuer complies with the Statutory Tests and the Contractual Asset Cover Test in respect of the Cover Pool, the Mortgaged Property Value might reduce over time causing the value of the Mortgage Loans becoming insufficient to meet the relevant Contractual Asset Cover Test and Statutory Tests and insufficient to provide cover for the issued and outstanding Czech Mortgage Covered Bonds

The Cover Pool consists of (i) Cover Assets which include the Mortgage Loans secured by way of a legally perfected first ranking mortgage in favour of the Issuer over the Mortgaged Property (as defined below) and (ii) Accessory Assets.

Cover Assets must comply with the applicable requirements or criteria set out in the Czech Bonds Act. In particular, pursuant to the Czech Bonds Act, the nominal value of each Czech Bonds Act Mortgage Loan in the Cover Pool may not exceed 100 per cent. of the value of the Mortgaged Property (as defined in section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – 3 Cover Assets and Statutory Cover Tests). In addition, the Issuer covenants, pursuant to the Terms and Conditions, to ensure compliance with the Contractual Eligibility Criteria and the Contractual Asset Cover Test. If the Mortgage Covered Bonds are issued as "CRR Compliant" Mortgage Covered Bonds, the Cover Assets covering them will also need to comply with the conditions set out in the CRR. If the Issuer fails to comply with the applicable requirements or criteria set out in the Czech Bonds Act or the CRR, such non-compliance constitutes an administrative delict under the Czech Bonds Act, subject to a fine of up to CZK20 million.

As of the date of this Base Prospectus, all the Mortgaged Property is located in the Czech Republic or Slovakia. The Mortgaged Property Value as well as the value of the Mortgage Loans included in the Cover Pool may reduce over time (including, in particular, in the event of a general downturn in the value of properties located in the Czech Republic or Slovakia) causing the value of the Mortgage Loans becoming insufficient to meet the Contractual Asset Cover Test, the Statutory Tests and insufficient to provide cover for the issued and outstanding Czech Mortgage Covered Bonds. Although the Issuer covenants, pursuant to the Terms and Conditions, to ensure compliance with the Contractual Asset Cover Test, a general downturn in the value of properties located in the Czech Republic or Slovakia could adversely affect the Issuer's results of operations, financial condition and business prospects and its ability to perform its obligations under the Mortgage Covered Bonds and the value of the Cover Pool.

The Mortgage Covered Bondholders will receive limited information in respect of the Cover Pool

Mortgage Covered Bondholders will not receive detailed statistics or information in relation to the Mortgage Loans or other assets contained or to be contained in the Cover Pool, as it is expected that the constitution of the Cover Pool will change from time to time due to, for example, the purchase or origination of further Mortgage Loans by the Issuer. The Issuer is, pursuant to Section 32 of the Czech Bonds Act and the CNB Decree, required to maintain the Covered Block Records and, pursuant to the Decree of the CNB No. 346/2013 Coll. of 16 October 2013 (in Czech, *Vyhláška České národní banky č. 346/2013 Sb. ze dne 16. října 2013*), required to file quarterly reports with the CNB (within 25 calendar days following the end of each calendar quarter) containing summary information about the Cover Pool and the Issuer's obligations in respect of the Czech Mortgage Covered Bonds, however, neither the Covered Block Records nor the quarterly reports are publicly available. Deloitte Audit s.r.o. has been appointed to act as the Asset Monitor pursuant to the terms of an asset monitor agreement, pursuant to which it will be required to conduct on annual basis certain checks and calculations on the Statutory Tests performed by the Issuer in accordance with the Czech Bonds Act, the CNB Decree and the Terms and Conditions. The Asset Monitor will only be required to perform its role from 30 June 2020. The outcome of these checks and calculations will not be publicly available or available to potential investors in the Mortgage Covered Bonds.

Risk relating to the Issuer's insolvency

The Issuer's ability to make payments under the Mortgage Covered Bonds or to issue further Mortgage Covered Bonds may be restricted or discontinued by a preliminary injunction issued by a Czech court

Under Section 74 et seq. of the Czech Act. No 99/1963 Coll., as amended (the **Civil Procedure Code**), a Czech court may, at its discretion and upon a petition from any third person filing a claim against the Issuer, issue a preliminary injunction (in Czech, *předběžné opatření*) if: (i) it is necessary to temporarily govern the relationship between the Issuer and that third person; or (ii) there is a doubt whether the enforcement of a court decision issued will be carried out. Such preliminary injunction may stay in effect until the end of the relevant court proceedings. This is a general regulation of the civil procedure under Czech law and, thus, regardless of the Issuer's insolvency, there can be no assurance that such a preliminary injunction would not impose upon the Issuer the obligation to stop or delay payments under Czech Mortgage Covered Bonds (including the Mortgage Covered Bonds) or restrict or prohibit the Issuer from issuing further Czech Mortgage Covered Bonds (including the Mortgage Covered Bonds).

Following the Issuer having become unable to pay its monetary obligations as they fall due, the value of the Mortgage Loans in the Cover Pool might reduce becoming insufficient to meet the relevant Contractual Asset Cover Test and Statutory Tests and thus insufficient to provide cover for the issued and outstanding Czech Mortgage Covered Bonds as a result of some debtors of the Mortgage Loans having exercised the right of unilateral set-off of their claims and obligations vis-à-vis the Issuer

If the Issuer enters into separate transactions (including transactions under various agreements on current or other bank accounts) with the debtors of Mortgage Loans, which are in the Cover Pool, such debtors may, under certain conditions, have a right of set-off of their obligations under the Mortgage Loans against any amounts owed by the Issuer.

Czech law allows for two means of set-off, a unilateral set-off and a contractual set-off. In both cases the law requires that the subject matter of mutual claims to be set-off is of the same kind. In broad terms, a unilateral set-off refers to circumstances when one of the parties takes a unilateral action towards the other party invoking a set-off without any action being taken whatsoever by the other party. The general rule is that a unilateral set-off of mutual claims is only possible when such claims are due and payable. In contrast, a contractual set-off, which is always based on an agreement between the parties, can always take place regardless of whether mutual claims to be set-off are due and payable. Current instalments on the Mortgage Loans would typically become due and payable but not the whole amount of the Mortgage Loan except when the Mortgage Loan is a defaulted loan and it has, as a consequence, become due and payable. Therefore, the possibility of a unilateral set-off against the whole amount of the Mortgage Loan or its significant part is very limited in practice.

Czech law allows not only for a pre-insolvency but also an insolvency set-off, although additional restrictions apply in an insolvency set off compared to the pre-insolvency regime described immediately above. Mutual claims of the Issuer and its creditor may generally be set-off after the initiation or opening of insolvency proceedings (in Czech, *zahájení insolvenčního řízení*) (the **Commencement of Insolvency Proceedings**), however set-off at this

stage of the insolvency proceedings may be restricted by the insolvency court by issuing a preliminary injunction. Mutual claims of the Issuer and its creditor may be set-off after the declaration of insolvency (in Czech, *rozhodnutí o úpadku*) (the **Declaration of Insolvency**), provided that the statutory conditions for set-off have been fulfilled prior to the decision on the manner of resolution of the debtor's insolvency. Also, the set-off after the Declaration of Insolvency will not be possible if: (i) the creditor did not file the claim to be set off in the insolvency proceedings; (ii) the creditor acquired its claim through an ineffective legal act; (iii) the creditor was aware of the debtor's insolvency at the time it acquired the claim to be set off; (iv) the creditor has not yet satisfied the debtor's due and payable claim for the amount owing which exceeds the creditor's claim to be set off; and (v) in certain other circumstances described in the Czech Insolvency Act, such as upon the issuance of the Preliminary Injunction by the insolvency court. There is only one available method of resolving the Issuer's insolvency and that is bankruptcy (in Czech, *konkurs*). The insolvency court would therefore always decide simultaneously on a Declaration of Insolvency to confirm the state of affairs and on a declaration of bankruptcy (in Czech, *rozhodnutí o prohlášení konkursu*) (the **Declaration of Bankruptcy**) to decide on the use of method to resolve the insolvency. Therefore, the statutory conditions for set-off must be met prior to the Declaration of Insolvency and Declaration of Bankruptcy in respect of the Issuer. According to the conservative interpretation this means that a set-off must be perfected prior to such decision, i.e. that the set-off must also be invoked against the Issuer prior to the Declaration of Bankruptcy. However, there is also a view that the legal conditions of set-off do not comprise the act by which set-off is invoked against the Issuer.

In summary, the above means that, having no regard to whether the relevant claims and obligations have become due and payable, the right of a unilateral set-off of (i) the claims of the debtors under the Mortgage Loans *vis-à-vis* (ii) the claims of the Issuer under the Mortgage Loans, may be exercised not only prior to the insolvency but also after the Commencement of Insolvency Proceedings or even after the Declaration of Bankruptcy in respect of the Issuer and, subject to some other conditions, always only provided that the Issuer is unable to pay its monetary obligations as they fall due. Although the Issuer may contractually eliminate such debtors' rights to set-off and such contractual arrangements would continue to apply following the Commencement of the Insolvency Proceedings in respect of the Issuer, the Issuer has not done that in its agreements or contracts on Mortgage Loans and/or agreements or contracts on current or other bank accounts it has entered into with its clients as the debtors under the Mortgage Loans, nor has the Issuer done that in its Standard Contractual Terms and Conditions applicable to those agreements or contracts.

Hence, the Issuer's clients, who are the debtors of the Mortgage Loans and at the same time have a claim against the Issuer from separate transactions (including transactions under various agreements on current or other bank accounts), may exercise the right of unilateral set-off of their claims against the Issuer and the possibility of that set-off taking place cannot be completely excluded. Consequently, no assurance can be given that, if the right of unilateral set-off has been duly exercised by some debtors of the Mortgage Loans, the value of the Cover Assets or Accessory Assets in the Cover Pool will be sufficient to pay all amounts due and payable under all Czech Mortgage Covered Bonds (including the Mortgage Covered Bonds).

A Covered Block Administrator appointed by the CNB may decide on a proportional decrease of all debts from the Mortgage Covered Bonds

Pursuant to the Czech Bonds Acts, the CNB shall appoint an involuntary covered block administrator (in Czech, *nucený správce krytých bloků*) (the **Covered Block Administrator**) without undue delay after (i) the CNB has filed an insolvency petition seeking the Declaration of the Insolvency of the Issuer, (ii) the Commencement of the Insolvency Proceedings, (iii) the Issuer has entered into liquidation, (iv) the CNB has revoked the Issuer's banking licence, or (v) the Issuer is, for reasons directly related to its financial situation, unable to discharge its debts and there is no prospect that it will be able to do so.

If the aggregate value of the Cover Assets in the Cover Pool is lower than the total nominal value of the debts for whose cover the Cover Pool serves, the Covered Block Administrator may decide on a proportional (*pari passu*) decrease of all debts from the Mortgage Covered Bonds for whose cover the Cover Pool serves, resulting in a permanent reduction of the nominal values of all such debts, including the nominal value of the Mortgage Covered Bonds. After the debts have been reduced, the Covered Block Administrator may further decide on realization of assets in the Cover Pool and consequently proceed with early repayment of the Mortgage Covered Bonds. This may result in Mortgage Covered Bondholders receiving less than the total interest and principal they were expecting in respect of the Mortgage Covered Bonds.

RISKS RELATED TO THE MORTGAGE COVERED BONDS

The risk factors regarding the Mortgage Covered Bonds are presented in the following categories depending on their nature with the most material risk factor presented first in each category:

- *Risks arising from the Terms and Conditions of the Mortgage Covered Bonds;*
- *Risks related to the nature of the Mortgage Covered Bonds;*
- *Risks related to the offer to the public and the admission of the Mortgage Covered Bonds to trading on a regulated market; and*
- *Other risks related to the Mortgage Covered Bonds.*

Risks arising from the Terms and Conditions of the Mortgage Covered Bonds

Fixed Rate Mortgage Covered Bonds (including Step-up/Step-down Mortgage Covered Bonds)

A Mortgage Covered Bondholder with a fixed rate of interest (the **Fixed Rate Mortgage Covered Bonds**) is exposed to the risk that the price of such Mortgage Covered Bond falls as a result of changes in the market interest rate. While the nominal interest rate of a Fixed Rate Mortgage Covered Bond as specified in the applicable Final Terms is fixed during the life of such Mortgage Covered Bond, the current interest rate on capital markets ("market interest rate") typically changes on a daily basis. As the market interest rate changes, the price of a Fixed Rate Mortgage Covered Bond also changes, but in the opposite direction. If the market interest rate increases, the price of a Fixed Rate Mortgage Covered Bond typically falls, until the yield of such Mortgage Covered Bond is approximately equal to the market interest rate. If the market interest rate falls, the price of a Fixed Rate Mortgage Covered Bond typically increases, until the yield of such Mortgage Covered Bond is approximately equal to the market interest rate. If the Mortgage Covered Bondholder of a Fixed Rate Mortgage Covered Bond holds such Mortgage Covered Bond until maturity, changes in the market interest rate are without relevance to such Mortgage Covered Bondholder as the Mortgage Covered Bond will be redeemed at a specified redemption amount, usually the principal amount of such Mortgage Covered Bond. The same risks apply to fixed rate Mortgage Covered Bond where the fixed rate of interest increases over the term of the Mortgage Covered Bond (the **Step-up Mortgage Covered Bonds**) or where the fixed rate of interest decreases over the term of the Mortgage Covered Bond (the **Step-down Mortgage Covered Bonds** and, together with Step-up Mortgage Covered Bonds, the **Step-up/Step-down Mortgage Covered Bonds**) if the market interest rates in respect of comparable Mortgage Covered Bonds are higher than the rates applicable to such Mortgage Covered Bonds.

Fixed to Floating Rate Mortgage Covered Bonds

Mortgage Covered Bonds issued with a fixed interest rate and a floating interest rate (the **Fixed to Floating Rate Mortgage Covered Bonds**) comprise both, risks relating to Fixed Rate Mortgage Covered Bonds (see above section Fixed Rate Mortgage Covered Bonds (including Step-up/Step-down Mortgage Covered Bonds)) and risks relating to Floating Rate Mortgage Covered Bonds (see below section Floating Rate Mortgage Covered Bonds). In addition, the Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Mortgage Covered Bonds since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed to Floating Rate Mortgage Covered Bonds may be less favourable than then prevailing spreads on comparable Floating Rate Mortgage Covered Bonds tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Mortgage Covered Bonds.

Floating Rate Mortgage Covered Bonds

Risks associated with the reform of Euribor, Pribor and other interest rate benchmarks

A Mortgage Covered Bondholder of a Mortgage Covered Bonds with a floating rate of interest (the **Floating Rate Mortgage Covered Bonds**) is exposed to the risk of fluctuating CMS rates (in case of Floating Rate Mortgage Covered Bonds linked to a constant maturity swap rate (the **CMS**)) or fluctuating reference rate levels (in case of Floating Rate Mortgage Covered Bonds linked to reference rates such as the Euro Interbank Offered Rate (**Euribor**), the Prague Interbank Offered Rate (**Pribor**) or other reference rates) and uncertain interest income.

Fluctuating CMS rate levels or reference rate levels make it impossible to determine the yield of Floating Rate Mortgage Covered Bonds in advance.

The Euribor, the Pribor and other interest rate indices which are deemed to be "benchmarks" (each a **Benchmark** and together the **Benchmarks**) have become the subject of recent national, international and other 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 may have a material adverse effect on any Mortgage Covered Bonds linked to such a Benchmark.

International proposals for reform of Benchmarks include Regulation (EU) 2016/1011 (as amended) (the **Benchmark Regulation**). In addition, there are numerous other proposals, initiatives and investigations which may impact Benchmarks. The Benchmark Regulation applies to 'contributors', 'administrators' and 'users' of Benchmarks in the EU, and (i) requires, among other things, Benchmark administrators to be authorised (or, if non-EU-based, to have satisfied certain 'equivalence' conditions in its local jurisdiction, to be 'recognised' by the authorities of a Member State pending an equivalence decision or to be 'endorsed' for such purpose by an EU competent authority) and to comply with requirements in relation to the administration of Benchmarks and (ii) ban the use of Benchmarks of unauthorised administrators. The scope of the Benchmark Regulation is wide and, in addition to so-called 'critical Benchmark' indices such as Euribor, will apply to many other interest rate indices. Given that the Benchmark Regulation does not apply to central banks and that the Sterling Overnight Index Average (**SONIA**®), the Secured Overnight Financing Rate (**SOFR**®) and the euro short-term rate (**€STR**®) are administered by the Bank of England, the Federal Reserve Bank of New York and the ECB, respectively, SONIA®, SOFR® and €STR® do not fall within the scope of the Benchmark Regulation as at the date of this Base Prospectus. In case the administrator of any of these reference rates changes in the future, such reference rate might fall within the scope of the Benchmark Regulation.

The Benchmark Regulation could have a material impact on Mortgage Covered Bonds linked to a Benchmark rate or index, including in any of the following circumstances:

- a rate or index which is a Benchmark could not be used as such if its administrator does not obtain authorisation, its authorisation is withdrawn or suspended, or is based in a non-EU jurisdiction which (subject to applicable transitional provisions) does not satisfy the 'equivalence' conditions, is not 'recognised' pending such a decision and is not 'endorsed' for such purpose. In such event, depending on the particular Benchmark and the applicable terms of the Mortgage Covered Bonds, the Mortgage Covered Bonds could be de-listed, 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 lead to adjustments to the terms of the Mortgage Covered Bonds, including Issuer determination of the rate or level in its discretion.

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. Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain Benchmarks, trigger changes in the rules or methodologies used in certain Benchmarks or lead to the disappearance of certain Benchmarks. Although it is uncertain whether or to what extent any of the abovementioned changes and/or any further changes in the administration or method of determining a Benchmark could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be, and/or could have an effect on the value of any Mortgage Covered Bonds whose interest or principal return is linked to the relevant Benchmark, investors should be aware that they face the risk that any changes to the relevant Benchmark may have a material adverse effect on the value of and the amount payable under the Mortgage Covered Bonds. Benchmarks could also be discontinued entirely. If a Benchmark were to be discontinued or otherwise unavailable, the rate of interest for floating rate Mortgage Covered Bonds which are linked to such Benchmark will be determined for the relevant period by the fallback provisions applicable to such Mortgage Covered Bonds, which in the end could result in the same rate being applied until maturity of the floating rate Mortgage Covered Bonds, effectively turning the floating rate of interest into a fixed rate of interest (or resulting in a redemption right of the Issuer). Any of the foregoing could have a material adverse effect on the value or liquidity of, and the amounts payable on floating rate Mortgage Covered Bonds whose rate of interest is linked to a discontinued Benchmark.

Risks associated with new reference rates such as SONIA®, SOFR® and €STR®

Interest rates of Floating Rate Mortgage Covered Bonds may be linked to SONIA®, SOFR® and €STR®. SONIA® is based on actual transactions and reflects the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions. Investors should be aware that the market continues to develop in relation to the SONIA® as a reference rate in the capital markets and its adoption as an alternative to the Sterling London Interbank Offered Rate (LIBOR). The market or a significant part thereof may adopt an application of SONIA® that differs significantly from that set out in the Terms and Conditions. It may be difficult for investors in Mortgage Covered Bonds which reference a SONIA® rate to reliably estimate the amount of interest which will be payable on such Mortgage Covered Bonds. Further, if the Mortgage Covered Bonds become due and payable, the rate of interest payable shall be determined on the date the Mortgage Covered Bonds became due and payable. Investors should consider these matters when making their investment decision with respect to any such Mortgage Covered Bonds.

On 22 June 2017, the Alternative Reference Rates Committee (the **ARRC**) convened by the Board of Governors of the Federal Reserve System and the Federal Reserve Bank of New York identified the SOFR® as the rate that represented best practice for use in certain new U.S. dollar derivatives and other financial contracts. The Federal Reserve Bank of New York notes that use of the SOFR® is subject to important limitations and disclaimers. SOFR® is published based on data received from other sources. There can be no guarantee that the SOFR® will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in the respective Mortgage Covered Bonds. If the manner in which the SOFR® is calculated is changed, that change may result in a reduction of the amount of interest payable on the Mortgage Covered Bonds and the trading prices of the Mortgage Covered Bonds. SOFR® has been published by the Federal Reserve Bank of New York since April 2018. Investors should not rely on any historical changes or trends in the SOFR® as an indicator of future changes in the SOFR®. Also, since the SOFR® is a relatively new market index, the Mortgage Covered Bonds will likely have no established trading market when issued. Trading prices of the Mortgage Covered Bonds may be lower than those of later-issued indexed debt securities as a result. Similarly, if the SOFR® does not prove to be widely used in securities like the Mortgage Covered Bonds, the trading price of the Mortgage Covered Bonds may be lower than those of debt securities linked to indices that are more widely used. Investors in the Mortgage Covered Bonds may not be able to sell the Mortgage Covered Bonds at all or may not be able to sell the Mortgage Covered Bonds 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. Investors should consider these matters when making their investment decision with respect to any such Mortgage Covered Bonds.

In light of these developments and similar to the approaches in the United States and the United Kingdom, the Governing Council of the European Central Bank (the **ECB**) has decided to develop €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 Mortgage Covered Bonds should consider all these factors when making their investment decision with respect to any such Mortgage Covered Bonds.

Risk of early redemption

Mortgage Covered Bonds that contain a call option of the Issuer (the **Call-Option**) may be redeemed by the Issuer on certain call dates (the **Call Dates**) as specified in the Final Terms, by giving notice to the Mortgage Covered Bondholders (subject to restrictions in applicable laws and regulations).

If the Issuer redeems any Mortgage Covered Bonds prior to maturity or if the Mortgage Covered Bonds are subject to an early redemption due to a tax or regulatory event, a Mortgage Covered Bondholder is exposed to the risk that due to early redemption his investment may have a lower than expected yield. The Issuer might exercise his optional call right if the yield on comparable Mortgage Covered Bonds in the capital market falls which means that the investor may only be able to reinvest the redemption proceeds in Mortgage Covered Bonds with a lower yield.

Amendments to terms and conditions

Mortgage Covered Bondholders are subject to the risk of losing rights *vis-à-vis* the Issuer against their will in the event that the other Mortgage Covered Bondholders agree pursuant to the Final Terms with the Issuer to make certain amendments to the terms and conditions by majority vote according to the German Bond Act (in German, *Schuldverschreibungsgesetz*) and the particular Mortgage Covered Bondholder is supporting a dissenting view on a matter. In the case of an appointment of a common representative for all Mortgage Covered Bondholders, a particular Mortgage Covered Bondholder may lose, in whole or in part, the possibility to enforce his rights against the Issuer regardless of other Mortgage Covered Bondholders.

Mortgage Covered Bonds with a Cap

Floating Rate Mortgage Covered Bonds may be equipped with a cap with respect to the interest payment. In that case, the amount of interest will never rise above and beyond the predetermined cap, so that the Mortgage Covered Bondholders will not be able to benefit from any actual favourable development beyond the cap. The yield of these Mortgage Covered Bonds could therefore be lower than that of similarly structured Mortgage Covered Bonds without a cap. The market value of such Mortgage Covered Bonds may decrease or fluctuate over their term to a higher extent than comparable interest structured Mortgage Covered Bonds without a cap.

Mortgage Covered Bonds with a participation rate (factor)

Floating Rate Mortgage Covered Bonds may be equipped with a feature that, for the calculation of interest payable on the Mortgage Covered Bonds, an amount calculated on the basis of the interest provisions of the Mortgage Covered Bonds will be multiplied by a participation rate (factor).

In the case of a participation rate (factor) which is below 100 per cent. (a factor smaller than 1), Mortgage Covered Bondholders usually participate less on a positive performance of the relevant reference rate(s) than this would be the case in the event of a multiplication with a factor of 1 or if Mortgage Covered Bonds are not equipped with a participation rate (factor). In other words, the variable interest rate payable on the Mortgage Covered Bonds increases less than the relevant reference price(s). However, in the case of a participation rate (factor) which is above 100 per cent. (a factor bigger than 1), Mortgage Covered Bondholders usually are exposed to the risk that, despite of the influence of other features, the accrual of interest will decrease more in the case of a negative performance of the relevant reference rate(s) than this would be the case in the event of a multiplication with a factor of 1 or if Mortgage Covered Bonds are not equipped with a participation rate (factor).

Zero Coupon Mortgage Covered Bonds

The **Zero Coupon Mortgage Covered Bonds** do not pay current interest but are issued at a discount from their nominal value (discounted Zero Coupon Mortgage Covered Bonds) or at their nominal value (compounded Zero Coupon Mortgage Covered Bonds). Instead of periodical interest payments, the difference between the redemption price and the issue price constitutes interest income until maturity and reflects the market interest rate. A Mortgage Covered Bondholder of a Zero Coupon Mortgage Covered Bonds is exposed to the risk that the price of such Mortgage Covered Bonds falls as a result of changes in the market interest rate. Prices of Zero Coupon Mortgage Covered Bonds are more volatile than prices of Fixed Rate Mortgage Covered Bonds and are likely to respond to a greater degree to market interest rate changes than interest bearing Mortgage Covered Bonds with a similar maturity.

The Maturity Date may be delayed to the Extended Maturity Date under the Mortgage Covered Bonds

If the applicable Final Terms specify that an Extended Maturity Date (as defined below) is applicable to a Series of Mortgage Covered Bonds and the Issuer fails to redeem the relevant Mortgage Covered Bonds in full on the Maturity Date (or within two Business Days thereafter) the maturity of the principal amount outstanding of the Mortgage Covered Bonds not redeemed will be automatically extended up to (and including) the date designated as an "Extended Maturity Date" in the applicable Final Terms (the **Extended Maturity Date**). In that event, the Issuer may redeem all or part of the principal amount outstanding of the Mortgage Covered Bonds on an Interest Payment Date falling in any month after the Maturity Date, up to and including the Extended Maturity Date. In that event also, the Mortgage Covered Bonds will bear interest on the principal amount outstanding of the Mortgage Covered Bonds in accordance with the applicable Final Terms, save in respect of Zero Coupon Mortgage Covered Bonds.

The extension of the maturity of the principal amount outstanding of the Mortgage Covered Bonds from the Maturity Date to the Extended Maturity Date will not result in any right of the Mortgage Covered Bondholders to accelerate payments or take action against the Issuer, and no payment will be payable to the Mortgage Covered Bondholders in that event other than as set out in the section Terms and Conditions of the Mortgage Covered Bonds and Related Information.

As discussed in The Mortgage Covered Bondholders share the Issuer's Cover Pool with the holders of all Czech Mortgage Covered Bonds issued by the Issuer above, the Issuer's Cover Pool is shared by all Czech Mortgage Covered Bondholders. This means that if particular Final Terms specify Extended Maturity Date as applicable, there is a risk that, in the event that the Issuer were in financial difficulty the Mortgage Covered Bondholders in relation to that Series of Mortgage Covered Bonds would not be paid as quickly as Mortgage Covered Bondholders in respect of similar Series without an Extended Maturity Date. This would put such Mortgage Covered Bondholders at a disadvantage if the Issuer entered into financial difficulties in the period between the Maturity Date and the Extended Maturity Date as other Series of Czech Mortgage Covered Bonds might be paid by the Issuer after the Maturity Date of the Mortgage Covered Bonds before any financial difficulty or increased financial difficulty were obvious.

The concept of the Czech Mortgage Covered Bonds issued under and governed by foreign law was adopted by the Czech Bonds Act in 2012 and it is not certain how the Czech Bonds Act as well as the CNB Decree and the relevant provisions of the Czech Insolvency Act will be interpreted in judicial, administrative or other relevant practice following the date of issue of the Mortgage Covered Bonds

The current wording of Section 28(1) of the Czech Bonds Act provides that Czech covered bonds (in Czech, *kryté dluhopisy*) are either: (i) bonds (in Czech, *dluhopisy*) which are issued under and governed by Czech law; or (ii) similar debt securities representing a right for repayment of an owed amount issued under foreign law, which as of the respective issue date meet the Statutory Tests.

The Czech Bonds Act has been amended already in 2012 to enable the mortgage covered bonds (in Czech, *hypoteční zástavní listy*) (i.e. the only category of then recognized Czech covered bonds) to be issued not only as Czech law governed bonds (in Czech, *dluhopisy*) but also as foreign law (e.g., German law) governed debt securities such as the Mortgage Covered Bonds. The Czech Bonds Act and the issuance of German law governed covered bonds have not been tested in Czech courts and, for this reason, there is no relevant case law available.

It is uncertain how the Czech Bonds Act will be interpreted or whether changes or amendments will be made to it which will affect the Mortgage Covered Bonds issued under the Programme. Therefore, no assurance can be given as to the impact of any possible judicial decision or change to Czech law (including the Czech Bonds Act, the CNB Decree or the Czech Insolvency Act) or administrative or other relevant practice after the date of issue of the relevant Mortgage Covered Bonds.

Additionally, the interpretation of certain provisions of Czech law, in particular commercial, financial and insolvency laws, is not well established due to little precedent in respect of sophisticated commercial and financial transactions between private parties. Furthermore, these laws are subject to changes and interpretation in a manner which cannot be currently foreseen and anticipated, and which may affect the rights and obligations arising in connection with the Mortgage Covered Bonds.

In addition, any change in legislation or in practice in the Czech Republic, Luxembourg, Germany or in any other relevant jurisdiction could adversely impact: (i) the ability of the Issuer to service the Mortgage Covered Bonds; and (ii) the market value of the Mortgage Covered Bonds.

In any proceedings taken in the Czech Republic for the enforcement of the obligations of the Issuer under any contract governed by German law, the Czech courts should recognise the choice of German law as the governing law of such contract subject to the provisions of Regulation (EC) No 593/2008 of the European Parliament and of the Council on the law applicable to contractual obligations (the Rome I Regulation). To the extent the rules of the Rome I Regulation do not apply to unilateral acts, Section 90 of Czech Act No. 91/2012 Coll., on private international law (the Czech Private International Law Act) provides (with effect from 1 January 2014) for free choice of law in respect of such unilateral acts.

Recent changes in the Czech Bonds Act may affect various aspects of the validity or enforceability of the Issuer's or the Mortgage Covered Bondholders' rights and obligations including those under the Mortgage Covered Bonds

A significant amendment No. 307/2018 Coll. to the Czech Bonds Act which introduced a new legal framework of Czech covered bonds including ring-fencing of the Cover Pool from the Issuer's general insolvency estate has entered into force on 4 January 2019. Considering that this new regulatory framework took effect from 4 January 2019 only, there is no case law and very limited market practice at this moment. It is not clear how the new and untested regulatory framework and regulations will be interpreted in the future and what effect such interpretation will have on the validity and enforceability of certain rights and obligations under the Mortgage Covered Bonds.

The Terms and Conditions of the Mortgage Covered Bonds do not contain a cross-default provisions

The Terms and Conditions of the Mortgage Covered Bonds do not contain a cross-default provision in respect of the Issuer's Local Bond Programmes. In some cases, the covered bonds issued under the Local Bond Programmes which benefit from the same cover pool may be accelerated as a result of an event of default occurring under the Local Bond Programmes that is not present under the Programme. As a result, the Mortgage Covered Bondholders would not be able to accelerate in some circumstances in which the holders of the covered bonds under the Local Bond Programmes would (if the cross-default provision is contained therein). If the holders of the relevant covered bonds issued under the Local Bond Programmes would accelerate and their claims were satisfied, the Mortgage Covered Bondholders might be in a worse position as they could still face a potential *pari passu* haircut under Section 32e(1) of the Czech Bonds Act and there would generally be less assets to distribute in a situation where the Covered Block would be over-indebted and the excess claims would rely on being satisfied on a *pari passu* basis with all the unsecured and unsubordinated obligations of the Issuer.

Risks related to the nature of the Mortgage Covered Bonds

Risks relating to market value of the Mortgage Covered Bonds

The market value (or the market price) of the Mortgage Covered Bonds will be affected by a number of factors such as prevailing interest and yield rates, the market for similar securities, general economic conditions or, as the case may be, the remaining term of the Mortgage Covered Bonds. If the Mortgage Covered Bonds are traded after their initial issuance, these factors may lead to a market value of the Mortgage Covered Bonds being substantially below their Issue Price. The market value, at which a Mortgage Covered Bondholder will be able to sell the Mortgage Covered Bonds, may be substantially below the Issue Price. The Issuer does not guarantee that the spread between purchase and selling prices lies within a certain range or remains constant. If the Mortgage Covered Bondholder sells the Mortgage Covered Bonds at a time where the market value of the Mortgage Covered Bonds is below the Issue Price he will suffer a loss.

Interest rate risk

The interest rate risk is one of the central risks of interest-bearing Mortgage Covered Bonds. The interest rate level on the money and capital markets may fluctuate on a daily basis and cause the value of the Mortgage Covered Bonds to change on a daily basis. The interest rate risk is a result of the uncertainty with respect to future changes of the market interest rate level. Mortgage Covered Bondholders of floating rate Mortgage Covered Bonds may receive a lower interest amount than they have initially expected. Mortgage Covered Bondholders of fixed rate Mortgage Covered Bonds are exposed to an interest rate risk that could result in a diminution in value of the Mortgage Covered Bonds if the market interest rate level increases. In general, the effects of this risk increase as the market interest rates increase.

Currency risk with respect to the Mortgage Covered Bonds

The Mortgage Covered Bonds may be denominated in a currency other than the currency of the jurisdiction where the investor is domiciled or where the investor seeks to receive funds. Exchange rates between currencies (the **Currency Exchange Rates**) are determined by factors of supply and demand in the international currency markets, which are affected by macro-economic factors, speculations and intervention by the central banks and governments (including the imposition of currency controls and restrictions). Fluctuations in Currency Exchange Rates may have a negative impact on the value of the Mortgage Covered Bonds and may result in a loss.

Risks associated with over-indebted Covered Block and the principle of dual recourse

In the case of the Issuer's insolvency, Czech law allows Mortgage Covered Bondholders to benefit from dual recourse against the (i) Cover Pool, which covers the obligations of the Issuer arising from the Mortgage Covered Bonds issued under this Programme, and (ii) insolvency estate of the Issuer. Where, after the commencement of insolvency proceedings, the aggregate value of the Cover Assets in the Cover Pool is lower than the total nominal value of the debts for which the Cover Pool serves (i.e. the Covered Block is over-indebted), the Covered Block Administrator shall quantify the claims of the Mortgage Covered Bondholders to the extent in which they are not covered by the Cover Pool and, without undue delay, shall send such quantification to the insolvency court within the period stipulated by the applicable law (typically two months). Upon delivery of the quantification, the respective claims contained therein are deemed to be registered within the insolvency proceedings (in order to seek satisfaction from the insolvency estate of the Issuer). The Mortgage Covered Bondholders may also register these claims themselves.

However, if the Covered Block Administrator fails to sufficiently ascertain the over-indebtedness of the Covered Block and/or to quantify the relevant claims of the Mortgage Covered Bondholders within the above-mentioned period for registration of claims with the insolvency court and the Covered Bondholders do not make the respective registration themselves (since they might not even learn about the insufficient assets in the Cover Pool), or if the Covered Block Administrator ascertains the over-indebtedness sufficiently, but the over-indebtedness increases subsequently (e.g. due to a decrease of value of the assets included in the Cover Pool), the Mortgage Covered Bondholders will no longer be able to register such claims with the insolvency court.

The over-indebted Covered Block can also be subject to the proportional (*pari passu*) decrease of all debts from the Mortgage Covered Bonds for whose cover the Cover Pool serves (the **Pari Passu Haircut**) (see section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – 9 below9. Insolvency of the Issuer and the Cover Pool below). Since the Pari Passu Haircut results in a permanent reduction of the nominal values of all such debts, the Mortgage Covered Bondholders will not be able to register their claims in the amount exceeding the Pari Passu Haircut within the respective insolvency proceedings.

Both of the above-mentioned issues are being addressed in the currently discussed amendment to the Czech Bonds Act. Should this amendment be adopted, the Mortgage Covered Bondholders would be able to register the relevant claims with the insolvency court within one year after the standard period for registration expires. In the case of the Pari Passu Haircut, the Mortgage Covered Bondholders would be able to register with the insolvency court any amount of reduction under the Pari Passu Haircut at any time of the respective insolvency proceedings. However, the legislative discussions regarding this amendment are still at an early stage and the actual adoption is, therefore, not certain.

If any of these risks materialise, the Mortgage Covered Bondholders might lose a part of their investment.

The Mortgage Covered Bondholders may share the Issuer's Cover Pool with the holders of other covered bonds issued by the Issuer

The Mortgage Covered Bonds are not guaranteed by any person and constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, which rank *pari passu* among themselves and with all other covered bonds issued by the Issuer, then outstanding and benefiting from the Cover Pool and with other obligations of the Issuer that have been provided the same priority as the Mortgage Covered Bonds.

Pursuant to the Czech Bonds Act, the Issuer may create one cover pool, providing cover for all covered bonds issued by the Issuer in accordance with the Czech Bonds Act, or several cover pools, in which case the Issuer has to specify covered bonds issued by the Issuer in accordance with the Czech Bonds Act should be covered by each cover pool.

Thus, all holders of the Mortgage Covered Bonds issued under this Programme have the benefit of the Cover Pool (i.e. of the same cover pool). Furthermore, the Issuer is not limited in the nature or volume of covered bonds it may issue in the future which will be covered by the Cover Pool, and may therefore also issue further Czech Mortgage Covered Bonds or other covered bonds without a limitation in terms of volume which will be covered by the same cover pool as the Mortgage Covered Bonds issued under this Programme.

Under the Czech Bonds Act, without undue delay after (i) the CNB has filed an insolvency petition seeking the Declaration of the Insolvency of the Issuer, (ii) the Commencement of the Insolvency Proceedings, (iii) the Issuer has entered into liquidation, (iv) the CNB has revoked the Issuer's banking licence, or (v) the Issuer is, for reasons directly related to its financial situation, unable to discharge its debts and there is no prospect that it will be able to do so, the CNB appoints an involuntary covered block administrator (in Czech, *nucený správce krytých bloků*) (the **Covered Block Administrator**). Upon its appointment, the Covered Block Administrator manages all the covered blocks of the Issuer, including the Covered Block (which is constituted by the Cover Pool and the debts that the Cover Pool covers).

If the CNB would appoint the Covered Block Administrator, and if the Covered Block Administrator realised any proceeds from the Cover Pool (in accordance with its powers described in section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – 9. Insolvency of the Issuer and the Cover Pool below), the proceeds would be distributed among all Mortgage Covered Bondholders, the holders of any other covered bonds issued by the Issuer then outstanding that will be covered by the Cover Pool and the creditors of other debts covered by the Cover Pool. This may result in Mortgage Covered Bondholders receiving less than the total interest and principal they were expecting in respect of the Mortgage Covered Bonds. Although the Issuer will comply with the Statutory Tests and the Contractual Asset Cover Test, there can be no assurance that the assets comprising the Cover Pool will have sufficient value to meet all payments due in respect of the Mortgage Covered Bonds.

Green Mortgage Covered Bonds, Social Mortgage Covered Bonds, Sustainability Mortgage Covered Bonds: Use of Proceeds may not meet investors' sustainable investment criteria

The Final Terms relating to any specific Tranche of Mortgage Covered Bonds may provide that it will be the Issuer's intention to apply an amount equivalent to the proceeds from an offer of those Mortgage Covered Bonds specifically for projects and activities that promote social and environmental purposes (**Eligible Green Projects** and/or **Eligible Social Projects**, as applicable). UniCredit Group has established a **Sustainability Bond Framework** which further specifies the eligibility criteria for such Eligible Green Projects and Eligible Social Projects. The Sustainability Bond Framework can be accessed on the website of UniCredit Group (https://www.unicreditgroup.eu/en/investors/esg-investors/sustainability-bonds.html). For the avoidance of doubt, neither the Sustainability Bond Framework nor the content of the website or any Second Party Opinion (as defined below) are incorporated by reference into or form part of this Base Prospectus.

Prospective investors should refer to the information set out in the relevant Final Terms and in the Sustainability Bond Framework regarding such use of proceeds and must determine for themselves the relevance of such information for the purpose of any investment in such Mortgage Covered Bonds together with any other investigation such investor deems necessary.

Compliance with further voluntary or regulatory initiatives

Due to the envisaged use of the proceeds from the issuance of such Tranche of Mortgage Covered Bonds, the Issuer may refer to such of Mortgage Covered Bonds as "green Mortgage Covered Bonds", "social Mortgage Covered Bonds" or "sustainable Mortgage Covered Bonds". The definition (legal, regulatory or otherwise) of, and market consensus as to what constitutes or may be classified as, a "green", "social", "sustainable" or an equivalently-labelled project is currently under development. In addition, it is an area which has been, and continues to be, the subject of many and wide-ranging voluntary and regulatory initiatives to develop rules, guidelines, standards, taxonomies and objectives.

For example, at the EU level, on 18 December 2019, the Council and the European Parliament reached a political agreement on a regulation to establish a framework to facilitate sustainable development (the **Taxonomy Regulation**). On 9 March 2020, the Technical Expert Group on Sustainable Finance published its final report on the EU taxonomy containing recommendations relating to the overarching design of the EU Taxonomy, as well as extensive implementation guidance on how companies and financial institutions can use and disclose against the taxonomy, including in relation to a future European standard for green bonds proposed by the Technical Expert Group on Sustainable Finance in 2019 (the **EU Green Bond Standard**). On 15 April 2020, the Council adopted by written procedure its position at first reading with respect to the Taxonomy Regulation. The European Parliament will have to vote on the text pursuant to the "early second reading agreement" procedure. On 18 June 2020, Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 entered into force and will apply in part as of 1 January 2022 and will apply in whole as of 1 January 2023. On

12 June 2020, the European Commission launched a public consultation on the creation of the EU Green Bond Standard. This consultation was running for an extended period of 16 weeks until 2 October 2020. Based on the outcome of this consultation, as well as ongoing bilateral stakeholder dialogues, the European Commission is likely to establish the EU Green Bond Standard in Q2 2021 according to Annex 1 of the European Commission Work Programme 2021.

Accordingly, no assurance can be given by the Issuer or the Dealers, any green or ESG structuring agent or any sustainability advisor or second party opinion provider or any other person (including UniCredit Group) that the use of such proceeds for any Eligible Green Projects and/or Eligible Social Projects, as applicable will satisfy, whether in whole or in part, any existing or future legislative or regulatory requirements, or any present or future investor expectations or requirements with respect to investment criteria or guidelines with which any investor or its investments are required to comply under its own by-laws or other governing rules or investment portfolio mandates.

In the event that any Tranche of Mortgage Covered Bonds is listed or admitted to trading on any dedicated "green", "environmental", "sustainable", "social" 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, the Dealers, any green or ESG structuring agent or any other person (including UniCredit Group) that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements with respect to investment criteria or guidelines with which any investor or its investments are required to comply under its own by-laws or other governing rules or investment portfolio mandates. 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, the Dealers, any green or ESG structuring agent or any other person (including UniCredit Group) that any such listing or admission to trading will be obtained in respect of any Tranche of Mortgage Covered Bonds or, if obtained, that any such listing or admission to trading will be maintained during the life of that Tranche of Mortgage Covered Bonds.

Failure to comply with the intended use of proceeds

While it is the intention of the Issuer to apply an amount equivalent to the proceeds of any Mortgage Covered Bonds so specified for Eligible Green Projects and/or Eligible Social Projects, as applicable, in, or substantially in, the manner described in the relevant Final Terms and the Sustainability Bond Framework, there can be no assurance by the Issuer, the Dealers, any green or ESG structuring agent or any other person (including UniCredit Group) that the relevant project(s) or use(s) the subject of, or related to, any Eligible Green Projects and/or Eligible Social Projects, as applicable, 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 Eligible Green Projects and/or Eligible Social Projects, as applicable. Nor can there be any assurance by the Issuer, the Dealers, any green or ESG structuring agent or any other person (including UniCredit Group) that such Eligible Green Projects and/or Eligible Social Projects, as applicable, 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 any failure by the Issuer to do so will not give the Mortgage Covered Bondholder the right to early terminate the Mortgage Covered Bonds.

Any failure to apply an amount equivalent to the proceeds of any issue of Mortgage Covered Bonds for any Eligible Green Projects and/or Eligible Social Projects, as applicable, 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 (as further specified below) and/or any such Mortgage Covered Bonds 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 Mortgage Covered Bonds and also potentially the value of any other Mortgage Covered Bonds which are intended to finance Eligible Green Projects and/or Eligible Social Projects, as applicable and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

Sustainability evaluations

No assurance or representation can be given by the Issuer or the Dealers or any other person (including UniCredit Group) 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 Mortgage Covered Bonds and in particular with any Eligible Green Projects and/or Eligible Social Projects, as applicable, to fulfil any environmental, social, sustainability and/or other criteria (such opinion or certification

also referred to as a **Second-Party Opinion**). Any such Second Party Opinion may not address risks that may affect the value of any Mortgage Covered Bonds issued in accordance with the Sustainability Bond Framework or any Eligible Green Projects and/or Eligible Social Projects, as applicable, against which the Issuer may assign the proceeds of any Mortgage Covered Bonds.

Such Second Party Opinion provides an opinion on certain environmental and related considerations and is not intended to address any credit, market or other aspects of an investment in any Mortgage Covered Bonds, including without limitation market price, marketability, investor preference or suitability of any security. Such Second Party Opinion is a statement of opinion, not a statement of fact. Any such Second Party Opinion is not, nor should be deemed to be, a recommendation by the Issuer, the Dealers or any other person (including UniCredit Group) to buy, sell or hold any Mortgage Covered Bonds. Any such Second Party Opinion is only current as of the date that opinion was initially issued and may be updated, suspended or withdrawn by the relevant provider(s) at any time. Prospective investors must determine for themselves the relevance of any such Second Party Opinion and/or the information contained therein and/or the provider of such Second Party Opinion for the purpose of any investment in any Mortgage Covered Bonds.

Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. There can be no assurance that the Mortgage Covered Bondholders will have any recourse against the provider(s) of any Second Party Opinion.

Inflation risk

The inflation risk is the risk of future money depreciation. The real yield from an investment is reduced by inflation. The higher the rate of inflation, the lower the real yield on a Mortgage Covered Bonds. If the inflation rate is equal to or higher than the nominal yield, the real yield is zero or even negative.

Denominations

In relation to any issue of Mortgage Covered Bonds which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Mortgage Covered Bonds may be traded in amounts in excess of EUR100,000 (or its equivalent) that are not integral multiples of EUR100,000 (or its equivalent). In such a case a Mortgage Covered Bondholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination would need to purchase a principal amount of Mortgage Covered Bonds such that its holding amounts to a Specified Denomination.

Risks related to the offer to the public and the admission of the Mortgage Covered Bonds to trading on a regulated market

Risk that no active trading market for the Mortgage Covered Bonds exists

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

Although applications could be made for the Mortgage Covered Bonds to be admitted to the regulated market of any stock exchange or to any market within the European Economic Area, there is no assurance that such applications will be accepted, that a particular tranche of Mortgage Covered Bonds will be admitted or that an active trading market will develop. Accordingly, there is no assurance regarding the development or liquidity of a trading market for a particular tranche of Mortgage Covered Bonds. Neither the Issuer nor a Dealer can assure that a Mortgage Covered Bondholder will be able to sell their Mortgage Covered Bonds prior to their maturity. If the Mortgage Covered Bonds are not traded on any securities exchange, pricing information for the Mortgage Covered Bonds may be more difficult to obtain which may have a negative effect on the liquidity and the market prices of the Mortgage Covered Bonds.

The Issuer may, but is not obliged to, purchase Mortgage Covered Bonds at any time and at any price in the open market, by tender or private agreement. Any Mortgage Covered Bonds purchased in this way by the Issuer may be held, resold or cancelled. If the Issuer acts as the only market maker or if there is no market maker, the secondary market may become even more limited. The more limited the secondary market is, the more difficult it may be for Mortgage Covered Bondholders to realise the value of the Mortgage Covered Bonds prior to the

maturity date of the Mortgage Covered Bonds. Therefore, a certain risk does exist that Mortgage Covered Bondholders have to hold the Mortgage Covered Bonds until the maturity date of the Mortgage Covered Bonds or the Mortgage Covered Bonds are redeemed early (if a right to redeem the Mortgage Covered Bonds early is applicable).

Risks relating to the offering volume

The offering volume described in the Final Terms is equal to the maximum volume of the Mortgage Covered Bonds offered, which might be increased at any time. This amount does not allow any conclusions on the volume of the Mortgage Covered Bonds actually issued, and thus on the liquidity of a potential secondary market associated with the same risks as stated above.

Legality of purchase

Neither the Issuer nor any Dealer or any of their affiliates has assumed or assumes responsibility towards any potential investor for the legality of the acquisition of the Mortgage Covered Bonds, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that potential investor with any law, regulation or regulatory policy applicable to it.

Other risks related to the Mortgage Covered Bonds

Ratings

Mortgage Covered Bonds issued under the Programme may be rated or unrated. Where a Tranche of Mortgage Covered Bonds is rated, such rating will not necessarily be the same as the rating assigned to Mortgage Covered Bonds to be issued under the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. In addition, the Issuer may decide to no longer use the services of a particular rating agency or use the services of another rating agency. Any ratings assigned to Mortgage Covered Bonds as at the date hereof are not indicative of future performance of the relevant Issuer's business or its future creditworthiness.

Furthermore, in view of Regulation (EC) No 1060/2009 of the European Parliament and of the Council on Credit Rating Agencies, rating processes may differ from former ratings and rating processes as a result of which the rating of the Mortgage Covered Bonds may differ or may not be available at all.

The Mortgage Covered Bonds are not covered by the statutory deposit protection (in Czech, pojištění pohledávek z vkladů)

Claims of the Mortgage Covered Bondholders under the Mortgage Covered Bonds are not covered by the statutory deposit protection (in Czech, *pojištění pohledávek z vkladů*). In the case of an over-indebted cover pool, the excessive part of the Mortgage Covered Bondholders' receivables (i.e. to the extent the value of such receivables exceeds the available cover provided by the cover pool) remain uncovered. Such Mortgage Covered Bondholders' claims may only be satisfied together with all other claims of all other general creditors of the Issuer registered with the insolvency court. Therefore, in such case and upon the insolvency of the Issuer, Mortgage Covered Bondholders could be subject to the risk of a significant loss of their investment in the Mortgage Covered Bonds.

Transaction costs

In addition to such costs directly related to the purchase of Mortgage Covered Bondholders (direct costs), potential investors must also take into account any follow-up costs (such as custody fees). Potential investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Mortgage Covered Bonds before investing in the Mortgage Covered Bonds.

When Mortgage Covered Bonds are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred beside the purchase or sale price of the Mortgage Covered Bonds. These incidental costs may significantly reduce or even eliminate any profit from holding the Mortgage Covered Bonds. Generally, credit institutions charge commissions, which are either fixed minimum commissions or pro-rata commissions, depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, for example domestic dealers or brokers in foreign markets, Mortgage

Covered Bondholders may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third-party costs).

Risks relating to hedging transactions

Mortgage Covered Bondholders may not be able to make transactions to preclude or limit risks at all times during the term of the Mortgage Covered Bonds. Their ability to do so will depend on, *inter alia*, market conditions. In some cases investors may make such transactions only at a market price that is disadvantageous to them, so that a significant loss will occur.

Transactions to reduce risks

Any person intending to use the Mortgage Covered Bonds as a hedging instrument should recognise the correlation risk. The correlation risk in this case is the risk that the estimated and the actual correlation of the Mortgage Covered Bonds may differ. This means that the hedging position estimated to move in the opposite direction as a security may prove to be correlated with the security, and that this may lead to failure of the envisaged hedging transaction. The Mortgage Covered Bonds may not be a perfect hedge to an underlying or portfolio of which the underlying forms a part.

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

In special market situations, the Issuer may be unable to conclude hedging transactions, or when such transactions are very difficult to conclude, the spread between the bid and offer prices which will be quoted by the Issuer may be temporarily expanded, in order to limit the economic risk of the Issuer. As a consequence, Mortgage Covered Bondholders who sell their Mortgage Covered Bonds on an exchange or directly among market participants via so-called over-the-counter dealings (off-exchange) can only sell them at a price that is substantially lower than the actual value of the Mortgage Covered Bonds at the time of the sale and will therefore suffer a loss.

Reinvestment risk

Mortgage Covered Bondholders may be exposed to risks connected to the reinvestment of cash resources freed from any Mortgage Covered Bonds. The return, the Mortgage Covered Bondholder will receive from a Mortgage Covered Bonds, depends not only on the price and the nominal interest rate of the Mortgage Covered Bonds but also on whether or not the interest received during the term of the Mortgage Covered Bonds, if any, can be reinvested at the same or a higher interest rate than the rate provided for in the Mortgage Covered Bonds. The risk that the general market interest rate falls below the interest rate of the Mortgage Covered Bonds during its term is generally called reinvestment risk. The extent of the reinvestment risk depends on the individual features of the relevant Mortgage Covered Bonds.

Risks arising from financing the purchase of the Mortgage Covered Bonds

If a potential investor decides to finance the purchase of the Mortgage Covered Bonds with funds borrowed from a third party, the investor should make sure in advance that he can still pay the interest and principal payments on the loan also in the event of a loss. The investor should not rely on gains or profits from the investment in the Mortgage Covered Bonds in order to repay interest and principal of the loans when due and payable. In that case, the expected return must be set higher since the costs relating to the purchase of the Mortgage Covered Bonds and those relating to the loan (interest, redemption, handling fee) have to be taken into account.

The Issuer and the Cover Pool may be exposed to substantial foreign exchange and currency mismatches and risks related to any issuance of Mortgage Covered Bonds under the Programme denominated in foreign currencies (including in EUR or USD), which may be effectively hedged against for the sole benefit of the Cover Pool and the Mortgage Covered Bondholders under the currently effective Czech law applicable to the Czech Mortgage Covered Bonds only after fulfilling certain requirements in respect of the hedging

On top of the Issuer and its subsidiaries setting limits and performing certain other measures aimed at reducing foreign exchange rate risk, including but not limited to entering into foreign exchange derivative contracts, the Issuer may in respect of individual issuances of Mortgage Covered Bonds under the Programme, enter into hedging arrangements in the form of cross-currency swap transactions or similar swap or derivative transactions

(a **Hedging Arrangement** or the **Hedging Arrangements**) in order to hedge its foreign exchange or other exposures and liabilities (or their part) under the Mortgage Covered Bonds issued under the Programme and eliminate any inherent currency or other mismatches. The Czech Bonds Act allow for a claim or receivable arising under a Hedging Arrangement to be included in the Cover Pool or a creditor of a claim or receivable arising under a Hedging Arrangement (the **Hedging Counterparty**) to have any direct or indirect claim or receivable or priority right to the Cover Pool provided that (i) the purpose of the Hedging Arrangement is to hedge against the risks related to Cover Assets included in the Cover Pool or the Czech Mortgage Covered Bonds, (ii) from the terms under which the Hedging Arrangement was concluded, it is clear that it is concluded in relation to the Czech Mortgage Covered Bonds, (iii) the terms of the Hedging Arrangement provide that insolvency of an Issuer or a crisis resolution or similar measure in respect of an Issuer cannot constitute an event of default or a termination or similar event which could lead to early termination of the Hedging Arrangement, and (iv) the Issuer's counterparty to the Hedging Arrangement has granted its prior consent to registration of the Hedging Arrangement in the Cover Assets Register (whilst the same applies also to removal of the Hedging Arrangement from the Cover Assets Records).

If the requirements set out in the previous paragraph are not met, the Issuer may enter into the Hedging Arrangements only by virtue of on-the-market swap or derivative transactions that would constitute ordinary and unsegregated on-balance-sheet claims or obligations of the Issuer vis-à-vis the Hedging Counterparty without any specific direct or indirect link to the Cover Pool whatsoever. As a result, any foreign exchange or currency risks that the Issuer and the Cover Pool are exposed to in connection with any issuance of Mortgage Covered Bonds under the Programme denominated in foreign currencies (including in EUR or USD) may not be effectively hedged against for the sole benefit of the Cover Pool and the Mortgage Covered Bondholders.

Mortgage Covered Bondholder rely on the procedures of Euroclear and Clearstream Luxembourg as regards the transfer, payment and communication

Mortgage Covered Bonds issued under the Programme may be represented by one or more Global Notes. Such Global Notes may be deposited with a common depositary or, if the Global Notes are New Global Notes, a common safekeeper for Euroclear and Clearstream, Luxembourg. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes or Mortgage Covered Bonds. While the Mortgage Covered Bonds are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear or Clearstream, Luxembourg.

While the Mortgage Covered Bonds are represented by one or more Global Notes, the Issuer will discharge the payment obligations under the Mortgage Covered Bonds by making payments to the common depositary, or for Mortgage Covered Bonds that are New Global Notes, the common safekeeper for Euroclear and Clearstream, Luxembourg, for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream Luxembourg. The Issuer has no responsibility or liability for the records relating to the beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Note. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream Luxembourg to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes will not have a direct right under the Global Notes to take enforcement action against the Issuer in the event of a default under the relevant Mortgage Covered Bonds.

Mortgage Covered Bonds issued at a substantial discount or premium

The market values of Mortgage Covered Bonds issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the Mortgage Covered Bonds, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Change of law

The Terms and Conditions of the Mortgage Covered Bonds (except for the status provisions of the Mortgage Covered Bonds which are governed by Czech law) are based on German law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial or administrative decision or changes to German and/or Czech law after the date of this Prospectus.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published shall be incorporated by reference in, and form part of, this Base Prospectus:

(a) the auditor's report and consolidated audited annual financial statements of the Issuer as of and for the financial year ended 31 December 2020 including the information set out at the following pages in particular (but excluding the cover page which is not relevant for investors in the Mortgage Covered Bonds):

Auditor's Report	203-209
Consolidated Statement of Comprehensive Income.....	37
Consolidated Statement of Financial Position	38
Consolidated Statement of Cash Flows.....	39
Consolidated Statement of Changes in Equity	40
Notes to the Financial Statements (Consolidated)	41-119

(available at: https://www.unicreditbank.cz/content/dam/cee2020-pws-cz/cz-dokumenty/o-bance/vyrocni-zpravy/VZ_2020_EN_final.pdf)

(b) the auditor's report and consolidated audited annual financial statements of the Issuer as of and for the financial year ended 31 December 2019 including the information set out at the following pages in particular (but excluding the cover page which is not relevant for investors in the Mortgage Covered Bonds):

Auditor's Report	192-197
Consolidated Statement of Comprehensive Income.....	39
Consolidated Statement of Financial Position	40
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(available at: https://www.unicreditbank.cz/content/dam/cee2020-pws-cz/cz-dokumenty/o-bance/vyrocni-zpravy/VZ_2019_EN_final.pdf)

(c) the terms and conditions of the Mortgage Covered Bonds contained in the previous base prospectuses relating to the Programme:

(i) base prospectus dated 29 November 2013 (on pages 59 to 87) (available at: https://www.unicreditbank.cz/content/dam/cee2020-pws-cz/cz-dokumenty/o-bance/international-covered-bond-programme/UCBCZSK_Covered_Bond_Programme_Base_Prospectus_29Nov_2013.pdf);

(ii) base prospectus dated 28 November 2014 (on pages 62 to 90) (available at: https://www.unicreditbank.cz/content/dam/cee2020-pws-cz/cz-dokumenty/o-bance/international-covered-bond-programme/Base_Prospectus-28_November_2014.pdf);

(iii) base prospectus dated 10 January 2017 (on pages 62 to 91), (available at: https://www.unicreditbank.cz/content/dam/cee2020-pws-cz/cz-dokumenty-2017/ostatni/international-e5-bln-covered-bond-programme/UCB_Base_Prospectus_dated_10_January_2017.PDF);

(iv) base prospectus dated 29 November 2017 (on pages 64 to 93) (available at: https://www.unicreditbank.cz/content/dam/cee2020-pws-cz/cz-dokumenty-2017/ostatni/international-e5-bln-covered-bond-programme/UCBCZSK_2017_Update_-_Base_Prospectus.pdf); and

(v) base prospectus dated 4 June 2020 (on pages 58 to 212) (available at: https://www.unicreditbank.cz/content/dam/cee2020-pws-cz/cz-dokumenty/o-

bance/international-covered-bond-programme/Frederick_2020_Update_Base_Prospectus_Consolidated_FINAL.pdf).

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus. All documents incorporated by reference will be published on the website of the Luxembourg Stock Exchange (*www.bourse.lu*).

Copies of documents incorporated by reference in this Base Prospectus can be obtained from the registered office of the Issuer and from the specified offices of the Paying Agents for the time being in Luxembourg.

SUPPLEMENTS TO THE BASE PROSPECTUS

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Mortgage Covered Bonds, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Mortgage Covered Bonds. Any such supplement to this Base Prospectus will be approved by the CSSF.

FORM OF THE MORTGAGE COVERED BONDS

Holding of Mortgage Covered Bonds in a manner which would allow ECB eligibility

If the recognition of the Mortgage Covered Bonds as eligible collateral for the Eurosystem monetary policy and intra-day credit operations by the Eurosystem is intended, the following applies:

(a) If the Mortgage Covered Bonds are issued in the form of a 'Classical Global Note', the 'Classical Global Note' is intended to be deposited directly with Clearstream Banking AG, Frankfurt which does not necessarily mean that the Mortgage Covered Bonds 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 satisfaction of the Eurosystem eligibility criteria (ECB eligibility); or

(b) If the Mortgage Covered Bonds are issued in the form of a 'New Global Note', the Mortgage Covered Bonds are intended upon issue to be deposited with one of the international central securities depositaries (ICSDs) as common safekeeper which does not necessarily mean that the Mortgage Covered Bonds 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 satisfaction of the Eurosystem eligibility criteria (ECB eligibility).

TERMS AND CONDITIONS OF THE MORTGAGE COVERED BONDS AND RELATED INFORMATION

This section Terms and Conditions of the Mortgage Covered Bonds and Related Information comprises the following parts:

I. General Information;

II. Terms and Conditions of the Mortgage Covered Bonds (German language version);

III. Terms and Conditions of the Mortgage Covered Bonds (English language version); and

IV. Form of Final Terms.

I. GENERAL INFORMATION

Issue Procedures

Terms and Conditions applicable to the Mortgage Covered Bonds

The terms and conditions of the Mortgage Covered Bonds (the **Terms and Conditions**) are set forth in the following 3 options (each an **Option** and, together, the **Options**):

Option I applies to Fixed Rate Mortgage Covered Bonds (including Step-up/Step-down Mortgage Covered Bonds).

Option II applies to Floating Rate Mortgage Covered Bonds (including Fixed to Floating Rate Mortgage Covered Bonds).

Option III applies to Zero Coupon Mortgage Covered Bonds.

Type A and Type B

Each set of Terms and Conditions contains, for the relevant Option, in certain places placeholders or potentially a variety of possible further variables for a provision. These are marked with square brackets and corresponding comments.

The Terms and Conditions apply to a Series of Mortgage Covered Bonds and as documented by the relevant Final Terms either in the form of "Type A" or in the form of "Type B":

Type A

If Type A applies to a Series of Mortgage Covered Bonds the conditions applicable to the relevant Series of Mortgage Covered Bonds (the **Conditions**) will be determined as follows:

The Final Terms will (i) determine which of the Option I through III of the Terms and Conditions shall apply to the relevant Series of Mortgage Covered Bonds by inserting such Option in the Final Terms Part I and will (ii) specify and complete such Option so inserted, respectively.

Where Type A applies, the Conditions only will be attached to the respective Global Note.

Type B

If Type B applies to a Series of Mortgage Covered Bonds the conditions applicable to the relevant Series of Mortgage Covered Bonds (the **Conditions**) will be determined as follows:

The Final Terms will (i) determine which of the Option I through III of the Terms and Conditions shall apply to the relevant Series of Mortgage Covered Bonds and will (ii) specify and complete the variables that shall be applicable to such Series of Mortgage Covered Bonds by completing the relevant tables pertaining to the chosen Option contained in PART I of the Final Terms.

Where Type B applies, both (i) the completed tables pertaining to the relevant Option in PART I of the Final Terms, and (ii) the relevant Option I through III of the Terms and Conditions will be attached to the respective Global Note. In such case, Mortgage Covered Bondholders have to use the information set out in Part I of the relevant Final Terms and read it together with the relevant Terms and Conditions by filling in relevant information into the placeholders and options of the relevant Terms and Conditions and by reading information provided in Part I of the Relevant Final Terms into the placeholders and options of the relevant Terms and Conditions.

Language

The Final Terms relating to a Series of Mortgage Covered Bonds will determine whether the German or the English language version of the Terms and Conditions shall be controlling and binding. A translation into the English or German language version respectively will be provided for convenience only but will not be part of the Final Terms relating to such Series of Mortgage Covered Bonds.

The Final Terms relating to a Series of Mortgage Covered Bonds may also determine that the Terms and Conditions are written in the German or in the English language only.

The Mortgage Covered Bonds Qualify as *hypoteční zástavní listy* under Czech law. In the German language version of the Terms and Conditions, the Mortgage Covered Bonds are referred to as "*nach Maßgabe des tschechischen Rechts mit Hypotheken gedeckten Schuldverschreibungen*". Although the terminology is slightly different, the English language version and the German language version describe the same kind of securities in nature, i.e. mortgage covered bonds (*hypoteční zástavní listy*) under Czech law.

II. TERMS AND CONDITIONS OF THE MORTGAGE COVERED BONDS (GERMAN LANGUAGE VERSION)

Option I: Emissionsbedingungen für Festverzinsliche Schuldverschreibungen

§ 1

(Serie, Form der Schuldverschreibungen**, Ausgabe weiterer** Schuldverschreibungen**)**

(1) Diese Tranche der Serie (die Serie) von nach Maßgabe des tschechischen Rechts mit Hypotheken gedeckten Schuldverschreibungen (*hypoteční zástavní listy*) (die **Schuldverschreibungen**) der UniCredit Bank Czech Republic and Slovakia, a.s. (die Emittentin) wird am [Ausgabetag einfügen] (der Ausgabetag) in Form von Inhaberschuldverschreibungen auf der Grundlage dieser Schuldverschreibungsbedingungen (die **Schuldverschreibungsbedingungen**) in [Festgelegte Währung einfügen] (die Festgelegte Währung) im Gesamtnennbetrag von [Gesamtnennbetrag einfügen] (der Gesamtnennbetrag) in einer Stückelung von [Festgelegte Stückelung einfügen] (die Festgelegte Stückelung) begeben.

[*Im Fall einer Vorläufigen Globalurkunde die gegen eine Dauerglobalurkunde ausgetauscht wird einfügen:*

(2) Die Schuldverschreibungen sind anfänglich in einer vorläufigen Globalurkunde (die **Vorläufige Globalurkunde**) ohne Zinsscheine verbrieft. Die Vorläufige Globalurkunde wird am oder nach dem 40. Tag (der **Austauschtag**) nach dem Ausgabetag nur nach Vorlage von Bescheinigungen, wonach der wirtschaftliche Eigentümer oder die wirtschaftlichen Eigentümer der durch die Vorläufige Globalurkunde verbrieften Schuldverschreibungen keine U.S.-Person(en) ist bzw. sind (ausgenommen bestimmte Finanzinstitute oder Personen, die Schuldverschreibungen über solche Finanzinstitute halten) (die **Bescheinigungen über Nicht-U.S.-Eigentum**), gegen eine Dauerglobalurkunde (die **Dauerglobalurkunde** und, zusammen mit der Vorläufigen Globalurkunde, die **Globalurkunden** und einzeln jeweils eine **Globalurkunde**) ausgetauscht. **[***Falls Clearstream, Luxemburg und Euroclear als Clearingsystem bestimmt sind, gilt Folgendes*: Die Details eines solchen Austausches werden in den Büchern der ICSDs (wie nachfolgend definiert) geführt.**]**

Die Inhaber der Schuldverschreibungen (die **Schuldverschreibungsgläubiger**) haben keinen Anspruch auf Ausgabe von Schuldverschreibungen in effektiver Form. Die Schuldverschreibungen sind als Miteigentumsanteile an der Globalurkunde nach den einschlägigen Bestimmungen des Clearingsystems übertragbar. Die Zinsansprüche sind durch die Dauerglobalurkunde verbrieft.

U.S.-Personen sind solche, wie sie in *Regulation S* des *United States Securities Act of 1933* definiert sind und umfassen insbesondere Gebietsansässige der Vereinigten Staaten sowie amerikanische Kapital- und Personengesellschaften.**]**

Jede Globalurkunde trägt die eigenhändigen oder faksimilierten Unterschriften von zwei berechtigten Vertretern der Emittentin sowie die eigenhändige Unterschrift eines Kontrollbeauftragten der Hauptzahlstelle (wie nachstehend in § 5 definiert).**]**

[*Im Fall einer Dauerglobalurkunde ab dem Ausgabetag, einfügen:*

(3) Die Schuldverschreibungen sind in einer Dauerglobalurkunde ohne Zinsscheine verbrieft (die **Dauerglobalurkunde** oder die **Globalurkunde**), die die eigenhändigen oder faksimilierten Unterschriften von zwei Zeichnungsberechtigten der Emittentin sowie die eigenhändige Unterschrift eines Kontrollbeauftragten der Hauptzahlstelle (wie nachstehend in § 5 definiert) trägt. Die Inhaber der Schuldverschreibungen (die **Schuldverschreibungsgläubiger**) haben keinen Anspruch auf Ausgabe von Schuldverschreibungen in effektiver Form. Die Schuldverschreibungen sind als Miteigentumsanteile an

der Globalurkunde nach den einschlägigen Bestimmungen des Clearingsystems übertragbar. Die Zinsansprüche sind durch die Globalurkunde verbrieft.**]**

(4) Jede Globalurkunde wird von einem oder im Namen eines Clearingsystems verwahrt. **Clearingsystem** [sind Clearstream Banking société anonyme, Luxemburg (**Clearstream, Luxemburg**) und Euroclear Bank SA/NV (**Euroclear**).] **[**(Clearstream, Luxemburg und Euroclear sind jeweils ein **ICSD** (*International Central Securities Depository*) und gemeinsam die **ICSDs**)**]**. **[**ist Clearstream Banking AG, Frankfurt (**CBF**).**]**

[*Im Fall von Euroclear und Clearstream, Luxemburg und wenn die Vorläufige Globalurkunde oder die Dauerglobalurkunde keine New Global Note ist, einfügen:*

(5) Die Schuldverschreibungen werden in Classical Global Note Form ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.]

[*Im Fall von Euroclear und Clearstream, Luxemburg und wenn die Vorläufige Globalurkunde oder die Dauerglobalurkunde eine New Global Note ist, einfügen:*

(6) Die Schuldverschreibungen werden in New Global Note Form ausgegeben und von einer gemeinsamen Verwahrstelle (**Common Safekeeper**) im Namen beider ICSDs verwahrt. Der Nennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Büchern beider ICSDs eingetragenen Gesamtbetrag. Die Bücher der ICSDs (die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind schlüssiger Nachweis über den Nennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bestätigung mit dem Nennbetrag der so verbrieften Schuldverschreibungen ist zu jedem Zeitpunkt ein schlüssiger Nachweis über den Inhalt der Bücher des jeweiligen ICSD.

Bei jeder Rückzahlung oder Zinszahlung bzw. Kauf und Entwertung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen werden die Einzelheiten über Rückzahlung, Zinszahlung bzw. Kauf und Entwertung bezüglich der Globalurkunde anteilig in die Bücher der ICSDs eingetragen und nach dieser Eintragung vom Nennbetrag der in die Bücher der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Schuldverschreibungen abgezogen. **[***Falls die Schuldverschreibungen aufgrund eines optionalen Kündigungsrechts teilweise zurückgezahlt werden können, einfügen:* Für das technische Verfahren der ICSDs im Fall der optionalen Rückzahlung (wie in § 3 definiert) hinsichtlich einer teilweisen Rückzahlung wird der ausstehende Rückzahlungsbetrag (wie nachstehend definiert) entweder als Reduzierung des Nennbetrags oder als Poolfaktor nach billigem Ermessen der ICSDs gemäß § 317 BGB in die Bücher der ICSDs aufgenommen.**]**

[(6)][(7)]Die Emittentin darf ohne Zustimmung der Schuldverschreibungsgläubiger weitere Schuldverschreibungen mit gleicher Ausstattung in der Weise begeben, dass sie mit den Schuldverschreibungen zusammengefasst werden, mit ihnen eine einheitliche Serie bilden und den Gesamtnennbetrag der Schuldverschreibungen erhöhen. Der Begriff " Schuldverschreibungen" umfasst im Fall einer solchen Erhöhung auch solche zusätzlich begebene Schuldverschreibungen.

§ 2
(Verzinsung)

(1) Die Schuldverschreibungen werden zu ihrem ausstehenden Gesamtnennbetrag ab dem **[***Verzinsungsbeginn einfügen***]** (der **Verzinsungsbeginn**) (einschließlich) **[**für jede Zinsperiode**]** bis zum Fälligkeitstag (wie nachstehend in § 3 (1) definiert) (ausschließlich) zum Zinssatz pro Jahr verzinst. Der jeweilige Zinsbetrag wird, vorbehaltlich einer Verschiebung gemäß der Geschäftstagekonvention **[***Wenn eine Anpassung (wie in § 4 bestimmt) erfolgt einfügen:* oder einer Anpassung**]**, gemäß § 4 **[**(2)**][**(3)**]** nachträglich an jedem Zinszahltag gemäß den Bestimmungen des § 4 (1) zur Zahlung fällig. Die erste Zinszahlung wird, vorbehaltlich einer Anpassung gemäß § 4 (**[**2**][**3**]**), am **[***ersten Zinszahltag einfügen***]** erfolgen. *[Im Falle eines kurzen/langen ersten Kupons, einfügen:* und beläuft sich auf **[***anfänglichen*

*Bruchteilszinsbetrag je festgelegter Stückelung, einfügen***]** je festgelegte Stückelung**]** [**[***anfänglichen Bruchteilszinsbetrag bezogen auf den Gesamtnennbetrag, einfügen***]** bezogen auf den Gesamtnennbetrag]. **[***Im Falle eines kurzen/langen letzten Kupons, einfügen:* Die Zinsen für den Zeitraum vom **[***Zinszahltag, der dem Fälligkeitstag vorausgeht, einfügen***]** (einschließlich) bis zum Fälligkeitstag (ausschließlich) belaufen sich auf **[***abschließenden Bruchteilszinsbetrag je festgelegter Stückelung, einfügen***]** je festgelegte Stückelung]. [**[***anfänglichen Bruchteilszinsbetrag bezogen auf den Gesamtnennbetrag, einfügen***]** bezogen auf den Gesamtnennbetrag].

Zinsperiode ist jeder Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahltag (ausschließlich) und von jedem Zinszahltag (einschließlich) bis zum jeweils folgenden Zinszahltag (ausschließlich).

(2) **Zinssatz** meint

[*Im Fall von Schuldverschreibungen, die keine Stufenzins-Schuldverschreibungen sind, einfügen:*

[jährlichen Festzinssatz einfügen**]**.

Zinszahltag meint den **[***Zinszahltag(e) einfügen***]** **[**eines jeden Jahres**]** sowie den Fälligkeitstag.**]**

[*Im Fall von Stufenzins Schuldverschreibungen einfügen:*

im Hinblick auf einen Zinszahltag den Prozentsatz, der in der Spalte "Zinssatz" der nachstehenden Tabelle für den jeweiligen Zinszahltag vorgesehenen ist.

Zinszahltag(e) meint jeden Tag, der in der nachstehenden Tabelle in der Spalte "Zinszahltag" aufgeführt ist:

Zinszahltag	**Zinssatz**
[*erster Zinszahltag*]	[*Zinssatz*]
[*Für jeden weiteren Zinszahltag, einfügen*: [*Zinszahltag einfügen*]	[*Zinssatz*]]
Fälligkeitstag	[*Zinssatz*]]

(3) Die Berechnung des Zinsbetrags (der **Zinsbetrag**) erfolgt, indem das Produkt aus Zinssatz und Zinstagequotient mit **[**der Festgelegten Stückelung**]** **[**dem Gesamtnennbetrag**]** multipliziert wird.

[*Im Fall eines auf die Schuldverschreibungen anzuwendenden Verlängerten Fälligkeitstags einfügen:*

(4) Kommt es im Einklang mit § 3 Abs. [3][4][5] zu einer Verlängerung der Fälligkeit der Schuldverschreibungen über den Fälligkeitstag hinaus, so werden die Schuldverschreibungen ab dem Fälligkeitstag (einschließlich) bis zum relevanten, auf den Fälligkeitstag folgenden Zinszahltag, zu dem die Schuldverschreibungen vollständig zurückgezahlt wurden, oder bis zum Verlängerten Fälligkeitstag verzinst, und zwar jeweils ausschließlich und je nachdem, welcher dieser beiden Tage eher eintritt, mit der Maßgabe von § 2 Abs. 1. In einem solchen Fall sind für diese Schuldverschreibungen Zinsen zu einem Satz zu zahlen, der sich nach § 2 Abs. 5 bemisst; diese Zinsen laufen nach dem Fälligkeitstag monatlich rückwirkend auf den ausstehenden Kapitalbetrag der Schuldverschreibungen auf, und zwar bezüglich der Zinsperiode, die unmittelbar vor dem relevanten Zinszahltag endet. Der letzte Zinszahltag fällt spätestens auf den Tag des Verlängerten Fälligkeitstags.

(5) Wird die Fälligkeit der Schuldverschreibungen im Einklang mit § 3 Abs. [3][4][5] über den Fälligkeitstag hinaus verlängert, so beträgt der Zinssatz, der von Zeit zu Zeit in Bezug auf den ausstehenden Kapitalbetrag der Schuldverschreibungen an jedem Zinszahltag nach dem Fälligkeitstag für die unmittelbar vor dem jeweiligen Zinszahltag endende Zinsperiode zu zahlen ist, [*Prozentsatz einfügen*] und wird, wo zutreffend, von der Hauptzahlstelle zwei Bankarbeitstage nach dem Fälligkeitstag

bezüglich der ersten solchen Zinsperiode bestimmt und danach [*Zinszahltag(e) einfügen*] [eines jeden Monats / sonstige angeben] bis zum Verlängerten Fälligkeitstag (einschließlich).

(6) § 2 Abs. 4 bis § 2 Abs. 6 finden nur Anwendung, falls die Emittentin es versäumt, die Schuldverschreibungen zum Fälligkeitstag (bzw. innerhalb von zwei Bankarbeitstagen nach dem Fälligkeitstag) (vollständig) zurückzuzahlen, woraufhin die Fälligkeit dieser Schuldverschreibungen automatisch im Einklang mit § 3 Abs. [3][4][5] bis zum Verlängerten Fälligkeitstag verlängert wird.**]**

(7) **Zinstagequotient** ist bei der Berechnung des auf eine Schuldverschreibung entfallenden Zinsbetrags für jeglichen Zeitraum (der **Berechnungszeitraum**)

[*Im Fall von Actual / Actual (ICMA) einfügen:*

[*Im Fall eines Berechnungszeitraums, der gleich oder kürzer ist als die Zinsperiode, in die der Berechnungszeitraum fällt, einfügen:*

die Anzahl der Tage in dem Berechnungszeitraum, geteilt durch das Produkt aus (1) der Anzahl der Tage in der Zinsperiode, in die der Berechnungszeitraum fällt und (2) der Anzahl von Zinsperioden, die normalerweise in einem Jahr enden.**]**

[*Im Fall eines Berechnungszeitraums, der länger ist als eine Zinsperiode einfügen:*

die Summe:

(a) der Anzahl von Tagen in dem Berechnungszeitraum, die in die Zinsperiode fallen, in welcher der Berechnungszeitraum beginnt, geteilt durch das Produkt aus (1) der Anzahl der Tage in dieser Zinsperiode und (2) der Anzahl von Zinsperioden in einem Jahr; und

(b) der Anzahl von Tagen in dem Berechnungszeitraum, die in die darauffolgende Zinsperiode fallen, geteilt durch das Produkt aus (1) der Anzahl der Tage in dieser Zinsperiode und (2) der Anzahl von Zinsperioden in einem Jahr.**]**

[*Im Fall eines kurzen ersten oder letzten Berechnungszeitraumes einfügen:*

Für die Zwecke der Feststellung der jeweiligen Zinsperiode soll der **[***Fiktiven Zinszahltag einfügen***]** als ein Zinszahltag angesehen werden.**]**

[*Im Fall eines langen ersten oder letzten Berechnungszeitraumes einfügen:*

Für die Zwecke der Feststellung der jeweiligen Zinsperiode soll der **[***Fiktiven Zinszahltag einfügen***]** jeweils als ein Zinszahltag angesehen werden**].]**

[*Im Fall von Actual/Actual (ISDA) einfügen:*

die tatsächliche Anzahl von Tagen im Berechnungszeitraum dividiert durch 365 (oder, falls ein Teil dieses Berechnungszeitraums in ein Schaltjahr fällt, die Summe aus (A) der tatsächlichen Anzahl der in das Schaltjahr fallenden Tage des Berechnungszeitraums, dividiert durch 366, und (B) die tatsächliche Anzahl der nicht in das Schaltjahr fallenden Tage des Berechnungszeitraums, dividiert durch 365).**]**

[*Im Fall von Actual/365 (Fixed) einfügen:*

die tatsächliche Anzahl der Tage im Berechnungszeitraum dividiert durch 365.**]**

[*Im Fall von Actual/360 einfügen:*

die tatsächliche Anzahl der Tage im Berechnungszeitraum dividiert durch 360.**]**

[*Im Fall von 30/360, 360/360 oder Bond Basis gemäß ISDA 2000 einfügen:*

die Anzahl der Tage im Berechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres mit 360 Tagen und mit 12 Monaten mit jeweils 30 Tagen berechnet wird (es sei denn, (A) der letzte Tag des Berechnungszeitraums ist der 31. Tag eines Monats und der erste Tag des Berechnungszeitraums ist weder der 30. noch der 31. eines Monats, in welchem Fall der diesen Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Berechnungszeitraums ist der letzte Tag des Monats Februar, in welchem Fall der Monat Februar nicht als en auf 30 Tage verlängerter Monat zu behandeln ist).**]**

[*Im Fall von 30/360, 360/360 oder Bond Basis gemäß ISDA 2006 einfügen:*

die Anzahl der Tage im Berechnungszeitraum dividiert durch 360, berechnet gemäß der nachfolgenden Formel:

$$\text{Zinstagequotient} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Wobei:

Y_1 ist das Jahr, ausgedrückt als Zahl, in das der erste Tag des Berechnungszeitraums fällt;

Y_2 ist das Jahr, ausgedrückt als Zahl, in das der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

M_1 ist der Kalendermonat, ausgedrückt als Zahl, in den der erste Tag des Berechnungszeitraums fällt;

M_2 ist der Kalendermonat, ausgedrückt als Zahl, in den der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

D_1 ist der erste Kalendertag des Berechnungszeitraums, ausgedrückt als Zahl, es sei denn, diese Zahl wäre 31, in welchem Fall D_1 gleich 30 ist; und

D_2 ist der Kalendertag, ausgedrückt als Zahl, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt, es sei denn, diese Zahl wäre 31 und D_1 ist größer als 29, in welchem Fall D_2 gleich 30 ist.**]]**

[*Im Fall von 30E/360 oder Eurobond Basis gemäß ISDA 2000 (deutsche Zinsmethode) einfügen:*

die Anzahl der Tage im Berechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres mit 360 Tagen und mit 12 Monaten mit jeweils 30 Tagen berechnet wird, und zwar ohne Berücksichtigung des ersten oder letzten Tages des Berechnungszeitraums (es sei denn, der letzte Tag des Berechnungszeitraums, der am Fälligkeitstag endet, ist der letzte Tag im Monat Februar, in welchem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist.]

[*Im Fall von 30E/360 oder Eurobond Basis gemäß ISDA 2006 einfügen:*

die Anzahl der Tage im Berechnungszeitraum dividiert durch 360, berechnet gemäß der nachfolgenden Formel:

$$\text{Zinstagequotient} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Wobei:

Y_1 ist das Jahr, ausgedrückt als Zahl, in das der erste Tag des Berechnungszeitraums fällt;

Y_2 ist das Jahr, ausgedrückt als Zahl, in das der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

M_1 ist der Kalendermonat, ausgedrückt als Zahl, in den der erste Tag des Berechnungszeitraums fällt;

M_2 ist der Kalendermonat, ausgedrückt als Zahl, in den der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

D_1 ist der erste Kalendertag des Berechnungszeitraums, ausgedrückt als Zahl, es sei denn, diese Zahl wäre 31, in welchem Fall D_1 gleich 30 ist; und

D_2 ist der Kalendertag, ausgedrückt als Zahl, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt, es sei denn, diese Zahl wäre 31, in welchem Fall D_2 gleich 30 ist.**]]**

[*Im Fall von 30E/360 (ISDA) (nur, wenn ISDA 2006 Definitionen anwendbar sein sollen (deutsche Zinsmethode)) einfügen:*

die Anzahl der Tage im Berechnungszeitraum dividiert durch 360, berechnet gemäß der nachfolgenden Formel:

$$\text{Zinstagequotient} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Wobei:

Y_1 ist das Jahr, ausgedrückt als Zahl, in das der erste Tag des Berechnungszeitraums fällt;

Y_2 ist das Jahr, ausgedrückt als Zahl, in das der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

M_1 ist der Kalendermonat, ausgedrückt als Zahl, in den der erste Tag des Berechnungszeitraums fällt;

M_2 ist der Kalendermonat, ausgedrückt als Zahl, in den der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

D_1 ist der erste Kalendertag des Berechnungszeitraums, ausgedrückt als Zahl, es sei denn, (i) dieser Tag ist der letzte Tag des Februars, oder (ii) diese Zahl wäre 31, in welchem Fall D_1 gleich 30 ist; und

D_2 ist der Kalendertag, ausgedrückt als Zahl, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt, es sei denn, (i) dieser Tag ist der letzte Tag des Februars, jedoch nicht der Fälligkeitstag, oder (ii) diese Zahl wäre 31, in welchem Fall D_2 gleich 30 ist,

jedoch in jedem solchen Fall unter dem Vorbehalt, dass die Anzahl der Tage des Berechnungszeitraumes vom ersten Tag des Berechnungszeitraumes (einschließlich) bis zum letzten Tag des Berechnungszeitraumes (ausschließlich) berechnet wird.**]**

§ 3

(Fälligkeit, Rückzahlungsbetrag [, Rückzahlung aus steuerlichen Gründen, Rückzahlung aufgrund einer Gesetzwidrigkeit oder Ungültigkeit, Optionale Rückzahlung nach Wahl der Emittentin (Call Option), Verlängerter Fälligkeitstag)]

(1) Die Schuldverschreibungen werden am [*Fälligkeitstag einfügen*] (der **Fälligkeitstag**) in Höhe der Festgelegten Stückelung (der **Rückzahlungsbetrag**) zur Rückzahlung fällig [*falls ein Verlängerter*

Fälligkeitstag anwendbar ist, einfügen:, vorbehaltlich einer Verlängerung der Fälligkeit der Schuldverschreibungen bis zum [*Verlängerten Fälligkeitstag einfügen*] (der **Verlängerte Fälligkeitstag**) gemäß der Regelung in nachstehendem § 3 [Abs. [3][4][5]].

[*Bei Rückzahlung aus steuerlichen Gründen einfügen:*

(2) Die Schuldverschreibungen können nach Wahl der Emittentin jederzeit (insgesamt, jedoch nicht teilweise), nach vorheriger (unwiderruflicher) Mitteilung an die Hauptzahlstelle und gemäß § 10 an die *Schuldverschreibungs*gläubiger mindestens [*Mindestanzahl von Tagen einfügen*] Tage und höchstens [*maximale Anzahl von Tagen einfügen*] Tage im Voraus, zurückgezahlt werden, falls:

(a) die Emittentin anlässlich der nächsten gemäß der Schuldverschreibungen fälligen Zahlung verpflichtet ist bzw. verpflichtet sein wird, zusätzliche Beträge gemäß § 6 zu zahlen, und zwar infolge einer Änderung oder Neufassung von Gesetzen oder Verordnungen innerhalb einer Steuerjurisdiktion (wie in § 6 definiert) oder einer Änderung bezüglich der Anwendung oder offiziellen Auslegung solcher Gesetze oder Verordnungen, wobei die Änderung bzw. Neufassung am oder nach dem Datum wirksam wird, zu dem eine Vereinbarung über die Ausgabe der ersten Tranche der Schuldverschreibungen getroffen wird; und

(b) eine solche Verpflichtung nicht dadurch vermieden werden kann, dass die Emittentin die ihr zur Verfügung stehenden angemessenen Maßnahmen ergreift,

mit der Maßgabe, dass diese Ankündigung der Rückzahlung nicht früher als 90 Tage vor dem frühesten Datum erfolgen darf, an dem die Emittentin verpflichtet wäre, solche zusätzlichen Beträge zu zahlen, falls eine Zahlung bezüglich der Schuldverschreibungen dann fällig wäre.

Bevor die Emittentin die Rückzahlung gemäß diesem § 3 Abs. 2 ankündigt, wird sie der Hauptzahlstelle (zwecks Bereitstellung zur Einsichtnahme durch die Schuldverschreibungsgläubiger an der von ihr benannten Geschäftsadresse) (i) eine von zwei Zeichnungsberechtigten der Emittentin unterschriebene Bescheinigung zustellen, wonach die Emittentin zur Veranlassung der Rückzahlung berechtigt ist, unter Nennung der Umstände, die belegen, dass die aufschiebenden Bedingungen für das Recht der Emittentin zur Rückzahlung erfüllt sind, sowie (ii) ein Gutachten von unabhängigen, anerkannten Rechtsberatern zustellen, wonach die Emittentin verpflichtet ist bzw. sein wird, die zusätzlichen Beträge infolge der betreffenden Änderung oder Neufassung zu zahlen, woraufhin diese Rückzahlung für die Schuldverschreibungsgläubiger abschließende und verbindliche Wirkung entfaltet. Die Hauptzahlstelle ist nicht dafür verantwortlich und kann nicht dafür haftbar gemacht werden, die Bereitstellung der gemäß diesem § 3 Abs. 2 erforderlichen Bescheinigungen und Gutachten zu überwachen oder sicherzustellen; auch ist die Hauptzahlstelle nicht verpflichtet, bereitgestellte Bescheinigungen oder Gutachten zu überprüfen, zu kontrollieren oder zu analysieren, übernimmt keine Verantwortung für den Inhalt dieser Bescheinigungen und Gutachten und haftet nicht, falls der Inhalt der Bescheinigungen oder Gutachten ungenau oder falsch ist. Gemäß diesem § 3 Abs. 2 zurückzuzahlende Schuldverschreibungen werden zum Rückzahlungsbetrag zurückbezahlt, zusammen (falls anwendbar) mit den bis zum Fälligkeitstag (ausschließlich) aufgelaufenen Zinsen.

[(2)][(3)]Die Schuldverschreibungen können nach Wahl der Emittentin jederzeit (insgesamt, jedoch nicht teilweise), nach vorheriger (unwiderruflicher) Mitteilung an die Hauptzahlstelle und gemäß § 10 an die Schuldverschreibungsgläubiger mindestens [*Mindestanzahl von Tagen einfügen*] Tage und höchstens [*maximale Anzahl von Tagen einfügen*] Tage im Voraus zurückgezahlt werden, falls es für die Emittentin vor dem nächsten Zinszahltag einer Schuldverschreibung gesetzwidrig geworden ist oder gesetzwidrig wird, weiterhin Schuldverschreibungen ausstehen zu lassen, und zwar infolge einer Änderung oder Neufassung von Gesetzen oder Verordnungen oder einer Änderung bezüglich der Anwendung oder offiziellen Auslegung solcher Gesetze oder Verordnungen, wobei die Änderung bzw. Neufassung vor dem nächsten derartigen Zinszahltag wirksam geworden ist oder wird.

Bevor die Emittentin die Rückzahlung gemäß diesem § 3 Abs. [2] [3] ankündigt, wird sie der Hauptzahlstelle (zwecks Bereitstellung zur Einsichtnahme durch die Schuldverschreibungsgläubiger an der von ihr benannten Geschäftsadresse) eine von zwei Zeichnungsberechtigten der Emittentin unterschriebene Bescheinigung zustellen, wonach die Emittentin zur Veranlassung der Rückzahlung berechtigt ist, unter Nennung der Umstände, die belegen, dass die aufschiebenden Bedingungen für das Recht der Emittentin zur Rückzahlung erfüllt sind. Die Hauptzahlstelle ist nicht dafür verantwortlich und

kann nicht dafür haftbar gemacht werden, die Bereitstellung der gemäß diesem § 3 Abs. [2] [3] erforderlichen Bescheinigungen zu überwachen oder sicherzustellen; auch ist die Hauptzahlstelle nicht verpflichtet, bereitgestellte Bescheinigungen zu überprüfen, zu kontrollieren oder zu analysieren, übernimmt keine Verantwortung für den Inhalt dieser Bescheinigungen und haftet nicht, falls der Inhalt der Bescheinigungen ungenau oder falsch ist. Gemäß diesem § 3 Abs. [2] [3] zurückzuzahlende Schuldverschreibungen werden zum Rückzahlungsbetrag zurückgezahlt, zusammen (falls anwendbar) mit den bis zum Fälligkeitstag (ausschließlich) aufgelaufenen Zinsen.

[*Im Fall einer optionalen Rückzahlung nach Wahl der Emittentin (Call-Option) einfügen:*

[(3)][(4)]Die Emittentin kann am **[***Kündigungstermin***[***e***]** *einfügen* **]**[eines jeden Jahres beginnend am **[***Datum einfügen***]]** (**[**der**][**jedes dieser Daten ein**]** **Kündigungstermin**) die Schuldverschreibungen vollständig **[**oder teilweise**]** zurückzahlen. Die Emittentin wird mindestens **[***Zahl einsetzen (mindestens 5 Bankarbeitstage)***]**[Bankarbeitstage (wie nachstehend in § 4**[**(2)**][**(3)**]** definiert)**][**Monate**]** vor dem **[**betreffenden**]** Kündigungstermin eine solche Rückzahlung gemäß § 8 mitteilen. Diese Mitteilung ist unwiderruflich und gibt den **[**betreffenden**]** Kündigungstermin an. Die Schuldverschreibungen werden zum **[**betreffenden**]** Kündigungstermin zum Optionalen Rückzahlungsbetrag einschließlich aller Zinsen, die bis zum Kündigungstermin anfallen, gemäß den Vorschriften des § 4 zurückgezahlt.

Der Optionale Rückzahlungsbetrag (der **Optionale Rückzahlungsbetrag**) [je Schuldverschreibung] [der Schuldverschreibungen] ist **[**seine Festgelegte Stückelung**] [**ihr Gesamtnennbetrag] **[**wie folgt:

[Kündigungstermin(e)	Optionale(r) Rückzahlungsbetrag(-beträge)
[*Kündigungstermin(e) einfügen***]**	**[***Optionale(r) Rückzahlungsbetrag(-beträge) einfügen, der/die nicht unterhalb des Nennwerts/Emissionspreises liegt/liegen***]]**

[*Im Fall eines auf die Schuldverschreibungen anzuwendenden Verlängerten Fälligkeitstags einfügen:*

[(3)] [(4)] [(5)] Falls die Emittentin es versäumt, alle diese Schuldverschreibungen vollständig zum Fälligkeitstag (oder innerhalb von zwei Bankarbeitstagen nach dem Fälligkeitstag) zurückzuzahlen, wird die Fälligkeit der Schuldverschreibungen und das Datum, zu dem diese Schuldverschreibungen für die Zwecke dieser Schuldverschreibungsbedingungen zur Rückzahlung anstehen, automatisch bis zum Verlängerten Fälligkeitstag (einschließlich) verlängert. In einem solchen Fall ist die Emittentin berechtigt, den ausstehenden Kapitalbetrag der Schuldverschreibungen zu einem Zinszahltag zurückzuzahlen, der in einen beliebigen Monat nach dem Fälligkeitstag fällt, und zwar bis zum Verlängerten Fälligkeitstag (einschließlich).

[(4)] [(5)] [(6)] Die Emittentin hat den Schuldverschreibungsgläubigern (im Einklang mit § 10) und der Hauptzahlstelle mindestens fünf Bankarbeitstage vor dem Fälligkeitstag oder dem jeweiligen Zinszahltag mitzuteilen, ob sie beabsichtigt, den ausstehenden Kapitalbetrag der Schuldverschreibungen ganz oder teilweise vollständig zurückzuzahlen. Unterlässt es die Emittentin, die jeweilige Person solcherart zu verständigen, so hat dies keine Auswirkungen auf die Gültigkeit und Wirksamkeit der etwaigen Verlängerung der Fälligkeit der Schuldverschreibungen bis zum Verlängerten Fälligkeitstag. Die Hauptzahlstelle wird das Clearingsystem von der Mitteilung seitens der Emittentin (falls zutreffend) unverzüglich nach Erhalt (und jedenfalls innerhalb von mindestens drei Bankarbeitstagen vor dem Fälligkeitstag der Schuldverschreibungen) verständigen. Zur Klarstellung: Falls die Hauptzahlstelle keine Mitteilung von der Emittentin gemäß diesem § 3 Abs. [4] [5] [6] erhalten hat, soll sich die Hauptzahlstelle darum bemühen, das Clearingsystem von dem Umstand zu informieren, dass die betreffenden Schuldverschreibungen nicht zum Fälligkeitstag bzw. dem jeweiligen Zinszahltag zurückgezahlt werden.

[(5)] [(6)] [(7)] Eine einmal erfolgte Verlängerung der Fälligkeit der Schuldverschreibungen gemäß § 3 Abs. [3] [4] [5] ist unwiderruflich. Soweit § 3 Abs. [3] [4] [5] anwendbar ist, stellt ein Versäumnis der Rückzahlung der Schuldverschreibungen am Fälligkeitstag (es sei denn, die Emittentin hat im Einklang mit § 3 Abs. [3] [4] [5] [6] die Rückzahlung der Schuldverschreibungen angezeigt) oder eine Verlängerung der Fälligkeit der Schuldverschreibungen bis zum Verlängerten Fälligkeitstag gemäß § 3

Abs. [3] [4] [5] keinen Kündigungsgrund für irgendwelchen Zweck dar, und gibt keinem Schuldverschreibungsgläubiger das Recht, eine Zinszahlung, Kapital oder andere Zahlungen auf die betreffenden Schuldverschreibungen zu erhalten, es sei denn, solche Zahlungen sind ausdrücklich in diesen Schuldverschreibungsbedingungen vorgesehen.

[(6)] [(7)] [(8)] [Bei einer Verlängerung der Fälligkeit der Schuldverschreibungen gemäß § 3 Abs. [3] [4] [5] werden Zinssätze, Zinsperioden und Zinszahltage betreffend die Schuldverschreibungen ab dem Fälligkeitstag (einschließlich) bis zum Verlängerten Fälligkeitstag (ausschließlich) im Einklang mit § 2 Abs. 4 bis § 2 Abs. 6 und [*andere angeben*] bestimmt.]

[(7)] [(8)] [(9)] Wenn die Emittentin einen Teil und nicht den gesamten Betrag des ausstehenden Nennbetrags der Schuldverschreibungen an einem Zinszahltag, der in einen beliebigen Monat nach dem Fälligkeitstag fällt, zurückzahlt, werden die Rückzahlungserlöse anteilig über die Schuldverschreibungen verteilt und der auf die Schuldverschreibungen ausstehende Nennbetrag wird um die Höhe dieser Rückzahlung reduziert.

[(8)] [(9)] [(10)] Solange eine dieser Schuldverschreibungen noch in Umlauf ist, wird die Emittentin keine weiteren Tschechischen Schuldverschreibungen begeben, es sei denn, die Erlöse aus der Emission solcher weiteren Tschechischen Schuldverschreibungen werden von der Emittentin bei der Begebung dazu verwendet, die betreffenden Schuldverschreibungen im Einklang mit diesen Schuldverschreibungsbedingungen vollständig oder teilweise zu tilgen.

[(9)] [(10)] [(11)] §§ 3 Abs. [3] [4] [5] bis § 3 Abs. [9] [10] [11] finden nur auf Schuldverschreibungen Anwendung, wenn die Emittentin es versäumt, diese Schuldverschreibungen vollumfänglich am Fälligkeitstag (bzw. innerhalb von zwei Bankarbeitstagen danach) zurückzuzahlen.]

§ 4

(Zahlungen)

(1) Die Emittentin verpflichtet sich,

(a) den Zinsbetrag an jedem Zinszahltag zu zahlen und

(b) den Rückzahlungsbetrag am Fälligkeitstag zu zahlen**[**.**]** [oder**]**

[*Im Fall eines Optionalen Rückzahlungsbetrags einfügen:*

(c) den Optionalen Rückzahlungsbetrag am Kündigungstermin*:* einschließlich aller Zinsen, die bis zum Kündigungstermin anfallen, zu zahlen.**]**

[*Im Falle einer Rückzahlung gemäß §3 Abs. 2 einfügen:*

(d) den Rückzahlungsbetrag an dem gemäß § 3 Abs. 2 bestimmten Tag der Rückzahlung zu zahlen einschließlich aller bis zu diesem Tag der Rückzahlung aufgelaufenen Zinsen [.] **[**oder**]**]

[*Im Falle einer Rückzahlung gemäß §3 Abs. [2] [3] einfügen:*

(e) den Rückzahlungsbetrag an dem gemäß § 3 Abs. [2] [3] bestimmten Tag der Rückzahlung zu zahlen einschließlich aller bis zu diesem Tag der Rückzahlung aufgelaufenen Zinsen[.]]

Die in diesem Absatz (1) genannten Beträge sowie alle weiteren gemäß diesen Schuldverschreibungsbedingungen geschuldeten Beträge werden **[***Falls die Festgelegte Währung der Euro ist einfügen:* auf den nächsten 0,01 Euro auf- oder abgerundet, wobei 0,005 Euro **[**aufgerundet**]** **[**stets abgerundet**]** werden**][***Falls die festgelegte Währung nicht der Euro ist einfügen:* auf die kleinste Einheit der Festgelegten Währung auf- oder abgerundet, wobei 0,5 einer solchen Einheit **[**aufgerundet**]** **[**stets abgerundet**]** werden**]**

[*Im Fall von Dual-Currency*-Schuldverschreibungen *einfügen:*

(2) Die Zahlung des Rückzahlungsbetrages[,]**[**und**]** des Zinsbetrags / der Zinsbeträge[,]**[**und**]** **[**des Optionalen Rückzahlungsbetrages**]** werden in **[***Währung einfügen***]** abgewickelt.

[Die Umrechnung der Beträge zahlbar in [*Währung einfügen*] erfolgt mit dem Wechselkurs am jeweiligen Kursberechnungstag für den Rückzahlungsbetrag[,]**[**und**]** den Zinsbetrag/die Zinsbeträge **[**und**]** **[**den Optionalen Rückzahlungsbetrag**]**.

Wechselkurs ist [der "[*ersten Kurs einfügen*]" multipliziert mit "[*zweiten Kurs einfügen*]"] [*Umtauschfaktor einfügen*] am jeweiligen Kursberechnungstag.

"[*ersten Kurs einfügen*]" bezeichnet den von [*Sponsor einfügen*] (ein **Fixing Sponsor**) veröffentlichten [*entsprechende Bezeichnung einfügen*] Kassakurs (ein **Kassakurs**) (ausgedrückt als Anzahl von ([*Währung*] pro [einem][●] [*Währung*]), der am Kursberechnungstag auf der Reuters Bildschirmseite "[*Seite einfügen*]" gegen [*Zeit einfügen*] [*Zeitzone einfügen*]) erscheint.

"[*zweiten Kurs einfügen*]" bezeichnet den von [*Sponsor einfügen*] (ein **Fixing Sponsor**) veröffentlichten [*entsprechende Bezeichnung einfügen*] Kassakurs (ein **Kassakurs**) (ausgedrückt als Anzahl von ([*Währung*] pro [einem][●] [*Währung*]), der am Kursberechnungstag auf der Reuters Bildschirmseite "[*Seite einfügen*]" gegen [*Zeit einfügen*] [*Zeitzone einfügen*]) erscheint.

Kursberechnungstag bezeichnet den [zweiten] Bankarbeitstag vor der Zahlung des Rückzahlungsbetrages[,]**[**und**]** des Zinsbetrages/der Zinsbeträge **[**und**]** **[**des Optionalen Rückzahlungsbetrages**]**, jeweils in Übereinstimmung mit der Geschäftstagekonvention.

[**Bankarbeitstag** bezeichnet [TARGET2] [, [*Finanzzentrum einfügen*] [und [*Finanzzentrum einfügen*]].]

Marktstörung bezeichnet:

(a) das Ausbleiben der Veröffentlichung eines Kassakurses durch den jeweiligen Fixing Sponsor,

(b) die Aufhebung oder Beschränkung des Devisenhandels für mindestens eine der relevanten Währungen, die für den Wechselkurs Berücksichtigung finden (einschließlich Optionen oder Terminkontrakte), oder die Beschränkung der Konvertibilität der Währungen, die für den Wechselkurs Berücksichtigung finden, oder die effektive Unmöglichkeit, eine Kursstellung für den betreffenden Wechselkurs zu erhalten, oder

(c) alle sonstigen Ereignisse, deren wirtschaftliche Auswirkungen den vorgenannten Fällen ähnlich sind,

jeweils in einem Umfange, der nach Ansicht der Emittentin wesentlich ist.

Wenn eine wie vorstehend bezeichnete Marktstörung an einem Kursberechnungstag eintritt, wird der betreffende Kursberechnungstag auf den nächstfolgenden Bankarbeitstag vor der Zahlung des Rückzahlungsbetrages[,]**[**und**]** des Zinsbetrages/der Zinsbeträge **[**und**]** **[**des Optionalen Rückzahlungsbetrages**]** verschoben.

Wenn die Marktstörung auch nach diesem Tag fortbesteht, gilt für die Berechnung des Rückzahlungsbetrages[,]**[**und**]** des Zinsbetrages/der Zinsbeträge **[**und**]** **[**des Optionalen Rückzahlungsbetrages**]** der letzte ermittelbare Wechselkurs vor Eintritt der Marktstörung.

Für den Fall, dass einer der Kassakurse vom jeweiligen Fixing Sponsor nicht länger festgestellt und veröffentlicht wird, sondern dies durch eine andere Person, Gesellschaft oder Einrichtung (der **Ersatz-Fixing Sponsor**) geschieht, kann die Emittentin den Rückzahlungsbetrag[,]**[**und**]** den Zinsbetrag/die Zinsbeträge **[**und**]** **[**den Optionalen Rückzahlungsbetrag**]** auf der Basis des Wechselkurses berechnen, wie er durch den entsprechenden Ersatz-Fixing Sponsor berechnet und veröffentlicht wird. Im Falle der Bestimmung eines Ersatz-Fixing Sponsors, gilt, unter Berücksichtigung des Kontextes, jede Bezugnahme auf den Fixing Sponsor als eine Bezugnahme auf den Ersatz-Fixing Sponsor.

Im Falle, dass einer der Kassakurse nicht länger festgestellt und veröffentlicht wird, kann die Emittentin den Rückzahlungsbetrag[,]**[**und**]** den Zinsbetrag/die Zinsbeträge **[**und**]** **[**den Optionalen Rückzahlungsbetrag**]** auf der Grundlage eines anderen Wechselkurses (der **Ersatz-Wechselkurs**) bestimmen, wie dieser vom betreffenden Fixing Sponsor oder Ersatz-Fixing Sponsor berechnet und veröffentlicht wird. Im Falle der Bestimmung eines Ersatz-Wechselkurses gilt, unter Berücksichtigung des Kontextes, jede Bezugnahme auf den Wechselkurs als eine Bezugnahme auf den Ersatz-Wechselkurs.

Sollte die Emittentin zu dem Ergebnis kommen, dass

(a) der Austausch eines Fixing-Sponsors nicht möglich ist,

(b) der Austausch des Wechselkurses nicht möglich ist, oder

(c) aufgrund des Eintritts besonderer Umstände oder Höherer Gewalt wie beispielsweise Katastrophen, Krieg, Terrorereignisse, Aufruhr, Beschränkungen von Zahlungsvorgängen, den Beitritt der Währung zur Europäischen Währungsunion, dem Austritt dieser Währung wieder aus der Europäischen Währungsunion, die für den betreffenden Kassakurs Berücksichtigung findet, oder andere Umstände mit vergleichbaren Auswirkungen auf den Wechselkurs, die die verlässliche Feststellung des Wechselkurses unmöglich oder praktisch nicht durchführbar machen,

wird die Emittentin die Bestimmung des Wechselkurses im Rahmen einer verhältnismäßigen Ausführung ihres Ermessens nach den Vorschriften des Bürgerlichen Gesetzbuches (BGB) vornehmen.**]**

[Umrechnung der zahlbaren Beträge in **[**Euro**][•]** erfolgt **[•].] [**Es werden jedoch mindestens **[**EUR**][•] [**0,001**][•]** [je Festgelegte Stückelung] [auf den Gesamtnennbetrag] gezahlt.**]]**

[(2)**][**(3)**]** Fällt der Tag der Fälligkeit einer Zahlung in Bezug auf die Schuldverschreibungen (der **Zahltag**) auf einen Tag, der kein Bankarbeitstag ist, dann:

[*Im Fall der Following Business Day Convention einfügen:*

haben die Schuldverschreibungsgläubiger keinen Anspruch auf Zahlung vor dem nachfolgenden Bankarbeitstag.**]**

[*Im Fall der Modified Following Business Day Convention einfügen:*

haben die Schuldverschreibungsgläubiger keinen Anspruch auf Zahlung vor dem nachfolgenden Bankarbeitstag, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Zahltag auf den unmittelbar vorhergehenden Bankarbeitstag vorgezogen.**]**

[*Im Fall der Preceding Business Day Convention einfügen:*

wird der Zahltag auf den unmittelbar vorhergehenden Bankarbeitstag vorgezogen.**]**

[*Für alle Business Day Conventions, wenn keine Anpassung erfolgt:*

Die Schuldverschreibungsgläubiger sind nicht berechtigt, weitere Zinsen oder sonstige Zahlungen auf Grund einer solchen Verschiebung zu verlangen.**]**

[*Für alle Business Day Conventions, wenn eine Anpassung erfolgt:*

Falls die Fälligkeit einer Zahlung, wie oben beschrieben, **[**vorgezogen wird**] [**oder**] [**verschoben wird**]**, werden ein solcher Zahltag und der Zinsbetrag entsprechend angepasst.**]**

Bankarbeitstag bezeichnet einen Tag (außer Samstag oder Sonntag), an dem das Clearingsystem **[***Wenn die Festgelegte Währung Euro ist oder wenn TARGET2 aus anderen Gründen benötigt wird, einfügen:* und TARGET2 für Geschäfte geöffnet **[**ist**]** **[**sind**]** **[***Wenn die Festgelegte Währung nicht Euro ist, einfügen:* und Geschäftsbanken und Devisenmärkte Zahlungen in **[***alle maßgeblichen Finanzzentren einfügen***]** abwickeln**]**.

[*Falls TARGET2 anwendbar ist, einfügen:* **TARGET2** ist das Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2).**]**

(3) Alle Zahlungen werden an die Hauptzahlstelle (wie in § 5 definiert) geleistet. Die Hauptzahlstelle zahlt die fälligen Beträge an das Clearingsystem zwecks Gutschrift auf die jeweiligen Konten der Depotbanken zur Weiterleitung an die Schuldverschreibungsgläubiger. Die Zahlung an das Clearingsystem befreit die Emittentin in Höhe der Zahlung von ihren Verbindlichkeiten aus den Schuldverschreibungen.

(4) Sofern die Emittentin Zahlungen unter den Schuldverschreibungen bei Fälligkeit nicht leistet, wird der fällige Betrag auf Basis des gesetzlich festgelegten Satzes für Verzugszinsen[8] verzinst. Diese Verzinsung beginnt an dem Tag der Fälligkeit der Zahlung (einschließlich) und endet mit Ablauf des Tages, der der tatsächlichen Zahlung vorangeht (ausschließlich).

[*Im Fall einer Vorläufigen Globalurkunde einfügen:*

(5) Zinszahlungen auf die Schuldverschreibungen, die durch eine Vorläufige Globalurkunde verbrieft werden, erfolgen nur nach Lieferung der Bescheinigungen über Nicht-U.S.-Eigentum (wie in § 1 definiert) durch die relevanten Teilnehmer am Clearingsystem.**]**

§ 5

(Hauptzahlstelle, Zahlstelle[, Berechnungsstelle])

(1) Die [Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom] **[***andere Person, die als Hauptzahlstelle ernannt wurde, einfügen***]**, ist die Hauptzahlstelle (die **Hauptzahlstelle**). Die Emittentin kann zusätzliche Zahlstellen (die **Zahlstellen**) ernennen und die Ernennung von Zahlstellen widerrufen. Die Ernennung bzw. der Widerruf ist gemäß § 10 mitzuteilen.

[Zusätzliche Zahlstelle zum **[**Zeitpunkt einfügen**]** ist **[**Person, die als zusätzliche Zahlstelle ernannt wurde, einfügen**].]**

[(2) Die Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom **[***andere Person, die als Berechnungsstelle ernannt wurde, einfügen***]** ist die Berechnungsstelle (die **Berechnungsstelle**).**]**

(**[**2**][**3**]**) Sofern irgendwelche Ereignisse eintreten sollten, die die Hauptzahlstelle **[**oder die Berechnungsstelle**]** **[**oder eine zusätzliche Zahlstelle**]** daran hindern, ihre Aufgabe als Hauptzahlstelle **[**oder Berechnungsstelle**]** **[**oder als zusätzliche Zahlstelle**]** zu erfüllen, ist die Emittentin verpflichtet, eine andere Bank von internationalem Rang als Hauptzahlstelle **[**oder als zusätzliche Zahlstelle**]** **[**, bzw. eine andere Person oder Institution mit der nötigen Sachkenntnis als Berechnungsstelle**]** zu ernennen. Eine Übertragung der Stellung als Hauptzahlstelle **[**oder Berechnungsstelle**]** **[**oder zusätzliche Zahlstelle**]** ist von der Emittentin unverzüglich gemäß § 10 mitzuteilen.

(**[**3**][**4**]**) Die Hauptzahlstelle **[**und die Zahlstelle**[**n**]]** **[**und die Berechnungsstelle**]** [handelt][handeln] im Zusammenhang mit den Schuldverschreibungen ausschließlich als Erfüllungsgehilfen der Emittentin, [übernimmt][übernehmen] keine Verpflichtungen gegenüber den Schuldverschreibungsgläubigern und stehen in keinem Auftrags- oder Treuhandverhältnis zu diesen. Die Hauptzahlstelle **[**und die Zahlstelle**[**n**]]** **[**und die Berechnungsstelle**]** **[**ist**]** **[**sind**]** von den Beschränkungen des §181 BGB befreit.

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[8] Der gesetzliche Verzugszinssatz gemäß §§ 288 Absatz 1, 247 Absatz 1 BGB beträgt für das Jahr fünf Prozentpunkte (sofern mindestens ein Verbraucher beteiligt ist) oder acht Prozentpunkte (sofern kein Verbraucher beteiligt ist) über dem von der Deutschen Bundesbank zum jeweiligen Zeitpunkt veröffentlichten Basiszinssatz.

([4][5]) Falls es sich nicht um einen offensichtlichen Fehler handelt, sind Entscheidungen der Berechnungsstelle endgültig und für die Emittentin sowie die Schuldverschreibungsgläubiger verbindlich.

§ 6

(Steuern)

[*Falls keine Pflicht zum Steuerausgleich (Gross-up) anwendbar ist, einfügen:*

(1) Zahlungen auf die Schuldverschreibungen werden nur nach Abzug und Einbehalt gegenwärtiger oder zukünftiger Steuern, Abgaben oder staatlicher Gebühren gleich welcher Art, die unter jedwedem anwendbaren Rechtssystem oder in jedwedem Land, das die Steuerhoheit beansprucht, von oder im Namen einer Gebietskörperschaft oder Behörde des Landes, die zur Steuererhebung ermächtigt ist, auferlegt, erhoben oder eingezogen werden (die **Steuern**) geleistet, soweit ein solcher Abzug oder Einbehalt gesetzlich vorgeschrieben ist. Die Emittentin hat gegenüber den zuständigen Regierungsbehörden Rechenschaft über die abgezogenen oder einbehaltenen Steuern abzulegen.

[*Falls eine Steuerausgleichpflicht (Gross-up) anwendbar ist, einfügen:*

(2) Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Schuldverschreibungen seitens bzw. namens der Emittentin erfolgen ohne Einbehalt oder Abzug jeglicher gegenwärtiger oder künftiger Steuern oder Abgaben welcher Art auch immer, die seitens bzw. namens der Steuerjurisdiktion erhoben oder eingezogen werden, es sei denn, ein solcher Einbehalt bzw. Abzug ist gesetzlich vorgeschrieben. In letzterem Fall wird die Emittentin die notwendigen zusätzlichen Beträge zahlen, um zu gewährleisten, dass die von den Inhabern der Schuldverschreibungen erhaltenen Nettobeträge nach einem solchen Einbehalt oder Abzug den jeweiligen Beträgen von Kapital und Zinsen entsprechen, die ihnen ohne einen solchen Einbehalt oder Abzug bezüglich der Schuldverschreibungen zustehen würden, mit der Ausnahme, dass keine solchen zusätzlichen Beträge für Schuldverschreibungen gezahlt werden:

(a) die in der Tschechischen Republik zur Zahlung vorgelegt werden; oder

(b) deren Inhaber für solche Steuern oder Abgaben in Bezug auf diese Schuldverschreibung aufgrund seiner (über die bloße Inhaberschaft der Schuldverschreibung hinausgehenden) Verbindung mit der Steuerjurisdiktion haftbar ist; oder

(c) die mehr als 30 Tage nach dem Relevanten Datum (wie nachstehend definiert) zur Zahlung vorgelegt werden, außer in dem Umfang, in dem der Inhaber Anspruch auf einen zusätzlichen Betrag gehabt hätte, wenn er die Schuldverschreibung an diesem dreißigsten Tag zur Zahlung vorgelegt hätte, vorausgesetzt dieser Tag wäre ein Zahlungstag (wie in § 4 Abs. [2][3] definiert) gewesen.

(3) Unbeschadet anderslautender Bestimmungen in diesem § 6 werden keine zusätzlichen Beträge gezahlt, wenn ein solcher Einbehalt oder Abzug gemäß einer in Abschnitt 1471(b) des U.S. Internal Revenue Code of 1986 (der **Code**) beschriebenen Vereinbarung erforderlich ist oder anderweitig gemäß den Abschnitten 1471 bis 1474 des Code, irgendwelchen Vorschriften oder Vereinbarungen darunter, deren offizieller Auslegung oder gemäß einem Gesetz zur Umsetzung einer zwischenstaatlichen Zusammenarbeit in diesem Bereich oder gemäß einer Vereinbarung zwischen den Vereinigten Staaten von Amerika und der Tschechischen Republik zur Umsetzung von FATCA oder gemäß einem Gesetz zur Umsetzung oder in Befolgung oder zwecks Einhaltung einer solchen Vereinbarung auferlegt wird.

(4) Für die Zwecke dieser Schuldverschreibungsbedingungen haben die folgenden Begriffe die ihnen nachstehend zugeordnete Bedeutung:

Steuerjurisdiktion bezeichnet die Tschechische Republik oder eine Gebietskörperschaft oder Behörde auf deren Gebiet mit der Befugnis zur Erhebung von Steuern; und

Relevantes Datum bezeichnet den Tag, an dem die betreffende Zahlung erstmals fällig wird, es sei denn, der volle zu zahlende Betrag ist an bzw. vor diesem Fälligkeitstag nicht bei der Hauptzahlstelle eingegangen, in welchem Fall das Relevante Datum der Tag ist, an dem die Schuldverschreibungsgläubiger ordnungsgemäß in Übereinstimmung mit § 10 davon verständigt wurden, dass der volle zu zahlende Betrag erhalten wurde.]

§ 7

(Rang)

(1) Unbeachtlich § 14 handelt es sich bei den Schuldverschreibungen um gemäß §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes begebene , mit Hypotheken gedeckte Schuldverschreibungen nach Maßgabe des tschechischen Rechts (*hypotební zástavní listy*).

(2) Die Schuldverschreibungen verbriefen direkte, unbedingte, nicht nachrangige und unbesicherte Verbindlichkeiten der Emittentin und sind gleichrangig sowohl untereinander als auch bezüglich aller anderen von der Emittentin begebenen Tschechischen Schuldverschreibungen, die zum jeweiligen Zeitpunkt ausstehen und von derselben Deckungsmasse Nutzen ziehen (wobei die Emittentin nach eigenem Ermessen mehrere Deckungsmassen bilden kann), sowie bezüglich aller anderen Verbindlichkeiten der Emittentin, die den Tschechischen Schuldverschreibungen gleichrangig gestellt wurden. Obschon die Schuldverschreibungen unbesicherte Verbindlichkeiten der Emittentin darstellen, sind im Falle eines etwaigen gegen die Emittentin geführten Insolvenzverfahrens besondere Regeln für die Verbindlichkeiten anwendbar, die sich aus den von der Emittentin begebenen ausstehenden Tschechischen Schuldverschreibungen ergeben.

(3) [Bei den Schuldverschreibungen handelt es sich um sog. “CRR-kompatible” Schuldverschreibungen, die den Anforderungen von § 28a Abs. 2 des Tschechischen Schuldverschreibungsgesetzes genügen und bei denen ausschließlich die CRR-Hypothekendarlehen der Emittentin verwendet werden, um den Anforderungen von § 28a Abs. 2 des Tschechischen Schuldverschreibungsgesetzes zu genügen.]

(4) Für die Zwecke dieser Schuldverschreibungsbedingungen haben die folgenden Begriffe die ihnen nachstehend zugeordnete Bedeutung:

Angepasster Wert bezeichnet, soweit die einschlägigen Gesetze nichts anderes vorsehen:

(a) für jedes Hypothekendarlehen den jeweils niedrigeren Wert der folgenden Größen:

(i) der ausstehende Nennwert des Hypothekendarlehens; und

(ii) der Wert der Beliehenen Immobilie bezüglich dieses Hypothekendarlehens;

(b) für jede PSB-Forderung und -Risikoposition: deren ausstehenden Nennwert;

(c) für Bargeld: den ausstehenden Nennwert; und

(d) für jedes Derivat: dessen tatsächlichen Wert gemäß anwendbarem Recht.

Sonderaufsichtsvertrag bezeichnet den Sonderaufsichtsvertrag vom 4. Juni 2020 zwischen der Emittentin als Emittent und Deloitte Audit s.r.o. als Sonderaufseher (der **Sonderaufseher**).

Sonderaufsichtsarbeitstag bezeichnet bezeichnet jeden Tag (außer Samstag oder Sonntag), an dem Handelsbanken und Devisenmärkte in Prag Zahlungen abwickeln oder TARGET2 für Zahlungen oder Wechselgeschäfte mit dem Euro als Ausgangs- oder Zielwährung geöffnet ist.

Sonderaufsichtsberechnungstag bezeichnet:

(a) den Ersten Sonderaufsichtsberechnungstag; und

(b) nach dem Ersten Sonderaufsichtsberechnungstag:

(i) vor dem Eintreten eines fortbestehenden Kündigungsgrundes: jährlich jedes Datum seiner alljährlichen Wiederkehr; und

(ii) nach Eintreten eines fortbestehenden Kündigungsgrundes: jedes Monatliche Datum, das zumindest einen Kalendermonat nach solchem ersten Eintreten folgt.

Bargeld bezeichnet Barforderungen der Emittentin gemäß Abschnitt 31(2)(d) des Tschechischen Schuldverschreibungsgesetzes.

Zeichnungsberechtigter bezeichnet eine Person, die ein Gesellschaftsamt bei der Emittentin bekleidet oder einer andere Person, die von der Emittentin als Zeichnungsberechtigter ernannt wurde und für die eine von der Emittentin unterzeichnete Urkunde vorgelegt wurde, in der Name und Unterschrift dieser Person aufgeführt sind und die die Zeichnungsberechtigung dieser Person bestätigt.

CNB bezeichnet die Tschechische Nationalbank.

CNB-Verordnung bezeichnet Verordnung Nr. 2/2019 Slg. der CNB vom 21.12.2018 (*Vyhláška České národní banky č. 2/2019 Sb. ze dne 21. prosince 2018*), über die Umsetzung einiger Bestimmungen des Tschechischen Schuldverschreibungsgesetzes, in der jeweils gültigen Fassung.

Vertraglicher bereinigter Saldo der Deckungsmasse bezeichnet die Summe der ausstehenden Angepassten Werte für alle Deckungsaktiva, wobei der Angepasste Wert:

(a) für das einzelne Hypothekendarlehen mit Null angesetzt wird, falls es sich beim Hypothekendarlehen um ein Notleidendes Darlehen handelt;

(b) für das einzelne Hypothekendarlehen mit Null angesetzt wird, falls das Hypothekendarlehen nicht die in § 30 Abs. 1 des Tschechischen Schuldverschreibungsgesetzes aufgeführten Bedingungen erfüllt;

(c) für das einzelne CRR-Hypothekendarlehen mit Null angesetzt wird, falls das CRR-Hypothekendarlehen nicht die anwendbaren Anforderungen der Kapitaladäquanzverordnung (CRR) erfüllt; und

(d) für das einzelne Hypothekendarlehen mit Null angesetzt wird, falls das Hypothekendarlehen im Sinne des Art. 178 der Kapitaladäquanzverordnung (CRR) überfällig ist,

wobei nicht auf tschechischen Kronen (*koruna*) lautende Deckungsaktiva zum Maßgeblichen Wechselkurs in den Gegenwert in tschechischen Kronen umgerechnet werden.

Deckungsaktiva bezeichnet die im Deckungsregister eingestellten Deckungsaktiva, die den Gesetzlichen Auswahlkriterien und den Vertraglichen Auswahlkriterien genügen (soweit auf die jeweiligen Deckungsaktiva anwendbar).

Deckungsregister bezeichnet das jeweilige Deckungsregister für jede Deckungsmasse, die von der Emittentin im Einklang mit dem Tschechischen Schuldverschreibungsgesetz und der CNB-Verordnung geführt wird.

Deckungsmasse bezeichnet einen Teil des Vermögens der Emittentin, welcher buchhalterisch separat erfasst wird und aus Aktivposten besteht, welche die relevanten Auswahlkriterien erfüllen, die in diesen Schuldverschreibungsbedingungen festgelegt sind, und die Verbindlichkeiten der Emittentin decken sollen, welche sich aus den Tschechischen Schuldverschreibungen ergeben (wozu u.a. deren Gesamtnennwert und anteiliger Ertrag gehören).

Kapitaladäquanzverordnung (CRR) bezeichnet Verordnung Nr. 575/2013 des Europäischen Parlaments und des Rates vom 26. Juni 2013 über Aufsichtsanforderungen an Kreditinstitute und Wertpapierfirmen (in der jeweils gültigen Fassung).

CRR-Hypothekendarlehen bezeichnet die Forderungen der Emittentin aus Hypothekendarlehen gemäß Art. 129 Abs. 1 d) bis f) der Kapitaladäquanzverordnung (CRR).

CRR PSB-Forderungen bezeichnet Risikopositionen gemäß Art. 129 Abs. 1 a) oder b) der Kapitaladäquanzverordnung (CRR).

Tschechisches Bankengesetz bezeichnet das tschechische Gesetz Nr. 21/1992 Slg., in der jeweils gültigen Fassung.

Tschechisches Schuldverschreibungsgesetz bezeichnet das tschechische Gesetz Nr. 190/2004 Slg., in der jeweils gültigen Fassung.

Hypothekendarlehen gemäß SchVG-cz bezeichnet die Hypothekendarlehen der Emittentin gemäß § 31 Abs. 2 a) des Tschechischen Schuldverschreibungsgesetzes.

Tschechisches Kapitalmarktgesetz bezeichnet das tschechische Gesetz Nr. 256/2004 Slg., über Kapitalmarktgeschäfte, in der jeweils gültigen Fassung.

Tschechisches Kapitalmarktaufsichtsgesetz bezeichnet das tschechische Gesetz Nr. 15/1998 Slg., über die Aufsicht im Bereich Kapitalmärkte und die Änderung bestimmter Gesetze, in der jeweils gültigen Fassung.

Tschechische Insolvenzordnung bezeichnet das tschechische Gesetz Nr. 182/2006 Slg., über Insolvenz und die Methoden zu deren Abwicklung (Insolvenzordnung), in der jeweils gültigen Fassung.

Tschechische Schuldverschreibungen bezeichnet alle Instrumente und Wertpapiere, die von der Emittentin in der Form von mit Hypotheken gedeckten Schuldverschreibungen nach Maßgabe des tschechischen Rechts (*hypoteční zástavní listy*) gemäß §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes begeben wurden, und zwar unabhängig davon, ob diese tschechischem oder Drittstaatrecht unterworfen wurden, und unabhängig davon, ob sie im Rahmen des Programms (als die hierin definierten Schuldverschreibungen), im Rahmen eines Lokalen Schuldverschreibungsprogramms, im Rahmen eines von der Emittentin erst noch aufzulegenden Programms oder als eigenständiges Produkt aufgelegt werden.

Tschechisches Vermögensbewertungsgesetz bezeichnet das tschechische Gesetz Nr. 151/1997 Slg., über Vermögensbewertung, in der jeweils gültigen Fassung.

Dealer bezeichnet UniCredit Bank AG, UniCredit Bank Czech Republic and Slovakia, a.s. sowie weitere von Zeit zu Zeit im Einklang mit dem Dealer Agreement für eine bestimmte Emission oder auf fortlaufender Basis ernannte Dealer (zusammen die **Dealer**).

Dealer Agreement bezeichnet das geänderte und neugefasste Dealer Agreement vom 24. Juni 2021 zwischen der Emittentin als Emittent, UniCredit Bank AG als Arrangeur und Dealer, und UniCredit Bank Czech Republic and Slovakia, a.s. als Dealer.

Notleidendes Darlehen bezeichnet ein beliebiges zur Deckungsmasse gehörendes Hypothekendarlehen, das mehr als 90 Tage in Verzug ist.

Derivate bezeichnet die sich aus einem Derivat ergebenden Rechte gemäß Art. 2 Ziffer 5 der Verordnung (EU) 648/2012 des Europäischen Parlaments und des Rates über OTC-Derivate, zentrale Gegenparteien und Transaktionsregister (also eines der in Ziffer 4 bis 10 in Anhang I, Abschnitt C der MiFID II-Verordnung aufgeführten Finanzinstrumente), vorausgesetzt, alle relevanten Bedingungen gemäß § 31 des Tschechischen Schuldverschreibungsgesetzes sind erfüllt;

Erster Sonderaufsichtsberechnungstag bezeichnet den 30. Juni 2020;

Ausgabetag bezeichnet einen Tag, an dem die Emittentin Schuldverschreibungen unter dem Programm begibt;

Ausgabe- und Zahlstellenvertrag bezeichnet den geänderten und neugefassten Vertrag über die Ausgabe- und Zahlstelle vom 24. Juni 2021 zwischen der Emittentin und Citibank, N.A., London Branch als der Hauptzahlstelle.

Lokales Schuldverschreibungsprogramm bezeichnet das (dritte, ruhende) CZK 100.000.000.000 Programm für Inlandsanleihen der Emittentin für die Begebung von (i) mit Hypotheken gedeckten Schuldverschreibungen (*hypoteční zástavní listy*) gemäß tschechischem Recht, die den Anforderungen von §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes und der Früheren CNB-Verordnung genügen (und somit die Definition der Tschechischen Schuldverschreibungen erfüllen) sowie (ii) anderen gemäß tschechischem Recht im Einklang mit dem Tschechischen Schuldverschreibungsgesetz begebenen Schuldverschreibungen, sodann das (zweite, ruhende) CZK 20.000.000.000 Programm für Inlandsanleihen der Emittentin mit ausstehenden mit Hypotheken gedeckten Schuldverschreibungen (*hypoteční zástavní listy*) gemäß tschechischem Recht, die den Anforderungen von §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes und der Früheren CNB-Verordnung genügen (und somit die Definition der Tschechischen Schuldverschreibungen erfüllen), und schließlich ein ruhendes EUR 5.000.000.000 Programm für Inlandsanleihen der Emittentin, vertreten durch ihre Niederlassung in der Slowakei, für die Begebung von (i) mit Hypotheken gedeckten Schuldverschreibungen (*hypotekárne záložné listy*) gemäß slowakischem Recht, die den Anforderungen von §§ 14 ff. des slowakischen Gesetzes Nr. 530/1990 Slg., über Schuldverschreibungen, in der jeweils gültigen Fassung (**Slowakisches**

Schuldverschreibungsgesetz) genügen sowie (ii) anderen gemäß slowakischem Recht im Einklang mit dem Slowakischen Schuldverschreibungsgesetz begebenen Schuldverschreibungen.

Monatliches Datum bezeichnet den ersten Tag jedes Monats bzw. falls, dieser kein Sonderaufsichtsarbeitstag ist, den unmittelbar darauffolgenden Sonderaufsichtsarbeitstag.

Hypothekendarlehen bezeichnet die in der Deckungsmasse enthaltenen Hypothekendarlehen gemäß SchVG-cz und die CRR-Hypothekendarlehen.

Beliehene Immobilie bezeichnet in Bezug auf ein beliebiges Hypothekendarlehen eine Immobilie, die alle relevanten Voraussetzungen gemäß §§ 29 und 30 des Tschechischen Schuldverschreibungsgesetzes erfüllt und die zur Besicherung des Hypothekendarlehens verpfändet ist.

Wert der Beliehenen Immobilie bezeichnet den Gesamtwert der Beliehenen Immobilie, der von der Emittentin im Einklang mit dem anzuwendenden Recht (einschl. § 29 des Tschechischen Schuldverschreibungsgesetzes und einschl. des Tschechischen Vermögensbewertungsgesetzes) und mit den internen Regelungen der Emittentin für die Bewertung Beliehener Immobilien bestimmt wurde. Soweit die einschlägigen Rechtsvorschriften nicht anders vorsehen, wird der Wert der Beliehenen Immobilie so berechnet, dass (i) der ermittelte Betrag, falls er auf eine andere Währung als die tschechische Krone (*koruna*) lautet, zum Maßgeblichen Wechselkurs umgerechnet wird, und (ii) der auf tschechische Kronen lautende ermittelte Betrag zum jeweiligen Betrag in tschechischen Kronen angesetzt wird.

Nennwert bezeichnet die Summe der ausstehenden Hauptforderungen sowie aufgelaufener und ausstehender Zinsen in Bezug auf die Tschechischen Schuldverschreibungen, Hypothekendarlehen oder andere Schulden oder Sicherheiten, wobei der Nennwert so zu berechnen ist, dass (i) Beträge in einer anderen Währung als der tschechischen Krone (*koruna*) zum Maßgeblichen Wechselkurs umgerechnet werden, und (ii) auf tschechische Kronen lautende Beträge zum jeweiligen Betrag in tschechischen Kronen angesetzt werden.

PSB-Forderungen und -Risikopositionen bezeichnet die CRR PSB-Forderungen zusammen mit allen in § 31 Abs. 2 (b) und (c) des Tschechischen Schuldverschreibungsgesetzes genannten Forderungen.

Potenzieller Kündigungsgrund bezeichnet einen Zustand, ein Ereignis oder eine Handlung, der bzw. das bzw. die einen Kündigungsgrund darstellen würde, sobald mehr Zeit verstrichen ist bzw. falls eine Mitteilung, Bestätigung, Erklärung, Forderung und/oder Ersuchen erteilt oder übermittelt wird oder eine vergleichbare Maßnahme ergriffen wird oder eine vergleichbare Bedingung erfüllt ist.

Frühere CNB-Verordnung bezeichnet Verordnung Nr. 164/2014 Slg. der CNB vom 30. Juli 2014 (*Vyhláška České národní banky č. 164/2014 Sb., ze dne 30. července 2014*) über die Umsetzung einiger Bestimmungen des Tschechischen Schuldverschreibungsgesetzes, wie durch die CNB-Verordnung ersetzt.

Programm bezeichnet das € 7.000.000.000 Programm der Emittentin für die Begebung von Schuldverschreibungen.

Ratingagentur bezeichnet Moody's Investors Service España, S.A. sowie jeglichen Rechtsnachfolger, welcher deren Ratinggeschäft übernimmt.

Maßgeblicher Wechselkurs bezeichnet den von der Emittentin bestimmten Gegenwert in tschechischen Kronen (*koruna*) (i) anhand des Kurses, wie ihn die CNB oder eine Nachfolgerquelle für die Umrechnung der relevanten Währung(en) in tschechische Kronen für den Bankarbeitstag bereitstellt, der der jeweiligen Betragsbestimmung vorausgeht oder, (ii) falls ein solcher direkter Wechselkurs für die relevante(n) Währung(en) in tschechische Kronen nicht verfügbar ist, der (von der jeweiligen Zentralbank bereitgestellten) Kurs für die Umrechnung der relevante(n) Währungen in U.S.-Dollar oder Euro, gefolgt von der Umrechnung des betreffenden Betrags in U.S.-Dollar oder Euro in tschechische Kronen anhand des (seitens der CNB bereitgestellten) Wechselkurses für den Bankarbeitstag, der der jeweiligen Betragsbestimmung vorausgeht.

Slowakisches Bankengesetz bezeichnet das slowakische Gesetz Nr. 483/2001 Slg., über Banken, in der jeweils gültigen Fassung.

Gesetzliche Tests bezeichnet alle vom Tschechischen Schuldverschreibungsgesetz für die Emittentin vorgeschriebenen Tests (einschließlich der in Abschnitt 28a Abs. 1, 2 und 3 des Tschechischen Schuldverschreibungsgesetzes genannten Tests).

Gesetzliche Auswahlkriterien bezeichnet die im Tschechischen Schuldverschreibungsgesetz und der CNB-Verordnung (und insbesondere in Abschnitt 31 des Tschechischen Schuldverschreibungsgesetzes) enthaltenen gesetzlichen Kriterien, nach denen entschieden wird, welche Deckungsaktiva Bestandteil der Deckungsmasse sein können.

Tochterunternehmen bezeichnet bezüglich einer beliebigen Person (der **Ersten Person**) zum jeweiligen Zeitpunkt eine solche andere Person (die **Zweite Person**):

(a) deren Angelegenheiten und Unternehmenspolitik von der Ersten Person beherrscht werden bzw. beherrscht werden können, sei es im Wege einer Beteiligung, eines Vertrags, der Befugnis zur Ernennung oder Abberufung von Mitgliedern des Führungsgremiums der Zweiten Person, oder anderweitig; oder

(b) deren Jahresabschluss gemäß dem anzuwendenden Recht und den allgemein anerkannten Rechnungslegungsgrundsätzen mit dem der Ersten Person konsolidiert wird.

Transaktionsdokumente bezeichnet:

(a) die Schuldverschreibungsbedingungen;

(b) die relevante Fassung der Endgültigen Bedingungen;

(c) das Dealer Agreement; und

(d) den Ausgabe- und Zahlstellenvertrag.

(5) Soweit sich aus dem Kontext nichts Gegenteiliges ergibt, gilt, dass eine Bezugnahme in diesen Schuldverschreibungsbedingungen:

(a) auf irgendein Transaktionsdokument oder eine sonstige Vereinbarung oder ein sonstiges Instrument als Bezugnahme auf das jeweilige Transaktionsdokument bzw. die jeweilige Vereinbarung oder das jeweilige Instrument in deren allfällig geänderten, erneuerten, ergänzten, erweiterten oder neugefassten Fassung zu verstehen ist; und

(b) auf eine Gesetzesnorm oder eine gesetzliche Vorschrift als Bezugnahme auf die allfällig geänderte, ersetzte oder neugefasste Gesetzesnorm oder Vorschrift zu verstehen ist.

(6) Zur Klarstellung: Die Emittentin ist berechtigt, in Zukunft zusätzliche Deckungsmassen bezüglich der Tschechischen Schuldverschreibungen zu bilden. Ist dies der Fall, so bleiben die zum jeweiligen Zeitpunkt ausstehenden Schuldverschreibungen von der Deckungsmasse gedeckt, die zum Ausgabetag besteht, und zwar in deren allfällig geänderten oder ergänzten Form.

§ 8

(Verpflichtungen der Emittentin)

(1) Die Emittentin verpflichtet sich, die Deckungsmasse im Einklang mit den Gesetzlichen Auswahlkriterien, den Gesetzlichen Tests und den weiteren einschlägigen Anforderungen gemäß dem Tschechischen Schuldverschreibungsgesetz und der CNB-Verordnung aufrechtzuerhalten. Die Emittentin verpflichtet sich, an jedem Sonderaufsichtsberechnungstag und an jedem Ausgabetag die vorgeschriebenen Kontrollen und Prüfungen vorzunehmen, um sicherzustellen, dass jedes in die Deckungsmasse eingebrachte Hypothekendarlehen auch weiterhin im Einklang mit den Gesetzlichen Auswahlkriterien und den Vertraglichen Auswahlkriterien (gemäß nachstehender Definition) ist. Soweit kein Einklang mit den Gesetzlichen Auswahlkriterien und den Vertraglichen Auswahlkriterien gegeben

ist, wird die Emittentin Bestandteile der Deckungsmasse entsprechend ersetzen, um den Einklang mit den Gesetzlichen Auswahlkriterien und den Vertraglichen Auswahlkriterien herzustellen.

(2) Die Emittentin verpflichtet sich außerdem sicherzustellen, dass der Vertragliche Bereinigte Saldo der Deckungsmasse mindestens 110 % des ausstehenden Nennwerts der Tschechischen Schuldverschreibungen beträgt (der **Vertragliche Deckungstest**).

(3) Die Emittentin wird jeweils am Sonderaufsichtsberechnungstag und jedem Ausgabetag ihre Einhaltung der Gesetzlichen Tests und des Vertraglichen Deckungstests prüfen; soweit sie diesen nicht genügt, wird sie Ersetzungen in der Deckungsmasse vornehmen, um die Einhaltung der Gesetzlichen Tests und des Vertraglichen Deckungstests zu gewährleisten. Zur Klarstellung: Ein Verstoß gegen den Vertraglichen Deckungstest löst keinen Kündigungsgrund aus. Allerdings darf die Emittentin, solange dieser Verstoß fortbesteht, keine Tschechischen Schuldverschreibungen begeben, die aus der Deckungsmasse Nutzen ziehen.

(4) Die Emittentin verpflichtet sich, der Ratingagentur (bzw. einer anderen Ratingagentur, die eine Bewertung für die Schuldverschreibungen abgegeben hat) und dem Sonderaufseher von Zeit zu Zeit Auskünfte über den aktuellen Wert des Vertraglichen Bereinigten Saldos der Deckungsmasse zu erteilen und die Einhaltung des Vertraglichen Deckungstests durch die Emittentin zu bestätigen.

(5) Zusätzlich zu den Gesetzlichen Auswahlkriterien wird die Emittentin außerdem dafür sorgen, dass die Deckungsmasse auch die folgenden vertraglichen Auswahlkriterien erfüllt (zusammen die **Vertraglichen Auswahlkriterien**):

(a) die Hypothekendarlehen unterliegen tschechischem oder slowakischem Recht;

(b) die Beliehene Immobilie ist eine erfasste Immobilie gemäß Auszug aus dem Tschechischen Grundbuch ("Immobilienkataster" – *katastr nemovitostí*) oder dem entsprechenden Immobilienverzeichnis einer maßgeblichen Jurisdiktion;

(c) die Hypothekendarlehen wurden an eine oder mehrere natürliche Personen bzw. eine oder mehrere juristische Personen vergeben;

(d) die Hypothekendarlehen werden ordnungsgemäß bedient, und es bestehen bezüglich dieser Darlehen keine für mehr als 90 Tage ausstehenden Zahlungen;

(e) der Betrag des jeweiligen in die Deckungsmasse aufgenommenen Hypothekendarlehens ist mit einem Beleihungsauslauf (LTV) von 100 % gedeckelt;

(f) die Deckungsmasse der Emittentin enthält keine forderungsbesicherten Wertpapiere; und

(g) die Hypothekendarlehen sind weder durch Agrarflächen besichert (soweit diese Gegenstand eines separaten Grundpfandrechts sind und keinen funktionellen Bestandteil einer anderen beliehenen Immobilie darstellen) noch durch andere nicht zu Bauzwecken ausgewiesene Grundstücke.

(6) Die Emittentin verpflichtet sich außerdem für den gesamten Zeitraum, zu dem irgendwelche der Schuldverschreibungen ausstehen:

(a) die Schuldverschreibungsgläubiger (im Einklang mit § 10) und die Hauptzahlstelle unverzüglich vom Eintreten jeglichen Kündigungsgrundes in Kenntnis zu setzen;

(b) jederzeit ordnungsgemäß Buch zu führen und dafür zu sorgen, dass auch ihre Tochterunternehmen ordnungsgemäß Buch führen;

(c) ihren Sitz in der Tschechischen Republik und ihre Bankenlizenz gemäß dem Tschechischen Bankengesetz aufrechtzuerhalten, sowie sämtliche weiteren Zulassungen und Registrierungen, die für das Programm gemäß den Gesetzen und Vorschriften der Tschechischen Republik erforderlich sind (was uneingeschränkt das Tschechische Bankengesetz, das Tschechische Schuldverschreibungsgesetz, das Tschechische Kapitalmarktgesetz und das Tschechische

Kapitalmarktaufsichtsgesetz einschließt), und der CNB sämtliche Dokumente zur Verfügung zu stellen, die für die Aufrechterhaltung der Zulassungen und Registrierungen erforderlich sind;

(d) in allen wesentlichen Aspekten ihre sämtlichen Pflichten gemäß den Gesetzen und Vorschriften der Tschechischen Republik (was uneingeschränkt das Tschechische Bankengesetz, das Tschechische Schuldverschreibungsgesetz, das Tschechische Kapitalmarktgesetz und das Tschechische Kapitalmarktaufsichtsgesetz einschließt) dann und so einzuhalten, wenn und wie gemäß dieser Rechtsvorschriften erforderlich; insbesondere hat die Emittentin in allen wesentlichen Aspekten ihre sämtlichen Pflichten gemäß der CNB-Verordnung und anderen Durchführungsvorschriften zum Tschechischen Schuldverschreibungsgesetz bezüglich der Schuldverschreibungen einzuhalten, was uneingeschränkt ihre Verpflichtungen betreffend die Führung des Deckungsregisters und sämtliche weiteren Dauerpflichten der Emittentin betreffend die Tschechischen Schuldverschreibungen und die Deckungsmasse einschließt;

(e) ihre sämtlichen Pflichten gemäß den Rechtsvorschriften der Slowakischen Republik (was uneingeschränkt das Slowakische Bankengesetz einschließt) dann und so einzuhalten, wenn und wie dies gemäß diesen Rechtsvorschriften für irgendwelche Hypothekendarlehen gemäß slowakischem Recht erforderlich ist, die Bestandteil der Deckungsmasse sind;

(f) in englischer Sprache sämtliche Berichte und mit Bestätigungsvermerk versehenen geprüften Jahresabschlüsse für das jeweilige Geschäftsjahr/die jeweilige Rechnungsperiode zu veröffentlichen, die die Bilanz und die Gewinn- und Verlustrechnung enthalten sollen, sowie sämtliche weiteren an Gläubiger der Emittentin ergehenden Mitteilungen, Erklärungen oder Rundschreiben, und zwar jeweils sobald als möglich nach dem Erscheinungsdatum, jedenfalls aber innerhalb von 180 Tagen nach dem Bilanzstichtag der Emittentin;

(g) zum Zeitpunkt der Veröffentlichung des Geschäftsberichts und des Jahresabschlusses gemäß vorstehendem Buchstaben (f) eine von zwei Zeichnungsberechtigten der Emittenten unterschriebene Bescheinigung zu veröffentlichen, wonach nach bestem Wissen und Gewissen der Emittentin Folgendes der Fall ist: (a) während des Zeitraums zwischen dem Abgabedatum der letzten Bescheinigung (bzw., im Falle der ersten solchen Bescheinigung, dem Datum dieser Schuldverschreibungsbedingungen) und dem Datum der Abgabe der aktuellen Bescheinigung ist die Emittentin ihren wesentlichen Verpflichtungen gemäß diesen Schuldverschreibungsbedingungen, dem Ausgabe- und Zahlstellenvertrag und den übrigen Transaktionsdokumenten nachgekommen (und falls dies nicht der Fall ist, macht die Emittentin detaillierte Angaben zu den Umständen dieser Nichteinhaltung der Verpflichtungen), und (b) unbeschadet der Allgemeingültigkeit dieses Buchstabens (g) und des vorstehenden Buchstabens (f) lag zu einem Zeitpunkt von nicht mehr als 10 Tagen vor Zustellung der Bescheinigung kein Kündigungsgrund bzw. Potenzieller Kündigungsgrund vor (und falls ein solcher Kündigungsgrund bzw. Potenzieller Kündigungsgrund vorliegt, macht die Emittentin detaillierte Angaben zu selbigem);

(h) jeden Schuldverschreibungsgläubiger auf dessen schriftlichen Wunsch hin mit sämtlichen Berichten zu versorgen, die vom Sonderaufseher gemäß dem Sonderaufsichtsvertrag erstellt wurden;

(i) keine der Bedingungen des Sonderaufsichtsvertrags anzupassen, zu ändern, zu erneuern, zu ergänzen oder aufzuheben, ausgenommen:

(i) rein verwaltungstechnische Änderungen und Korrekturen offensichtlicher Irrtümer;

(ii) notwendige Änderungen im Zuge einer Änderung von Gesetzen oder deren Auslegung, einschließlich des Tschechischen Schuldverschreibungsgesetzes und der CNB-Verordnung; oder

(iii) Änderungen, die den Interessen der Schuldverschreibungsgläubiger nicht wesentlich entgegenstehen.

§ 9

(Kündigungsgründe)

(1) Jeder Schuldverschreibungsgläubiger ist berechtigt, seine Schuldverschreibungen sofort fällig zu stellen und deren unverzügliche Rückzahlung zum Rückzahlungsbetrag zu verlangen, falls eines oder mehrere der folgenden Ereignisse (jeweils ein **Kündigungsgrund**) eintreten:

(a) Nichterfüllung irgendwelcher Zahlungsverpflichtungen der Emittentin gemäß bzw. im Zusammenhang mit den Schuldverschreibungen für einen Zeitraum von mehr als 10 (zehn) Bankarbeitstagen ab dem Tag der Fälligkeit dieser Zahlungsverpflichtungen;

(b) Die Emittentin versäumt es, irgendwelche weiteren Wesentlichen Verpflichtungen einzuhalten oder zu erfüllen, und dieser Verzug besteht unbehoben für 45 (fünfundvierzig) Kalendertage ab dem Tag fort, an dem der Emittentin eine Mitteilung seitens des Schuldverschreibungsgläubigers zugestellt wurde, in der sie aufgefordert wird, Abhilfe zu schaffen (mit Ausnahme derjenigen Fälle, in denen der Verzug wegen seiner Wesensart nicht behoben werden kann, und in denen deshalb weder Fortbestand noch Aufforderung zur Abhilfe erforderlich sind, um den Kündigungsgrund zu begründen);

(c) Für die Zwecke des vorstehenden Buchstabens (b) sind unter **Wesentlichen Verpflichtungen** jegliche wesentliche Verpflichtungen der Emittentin gemäß den Schuldverschreibungsbedingungen und gemäß Sonderaufsichtsvertrag zu verstehen. Zur Klarstellung: Ein Verstoß gegen den Vertraglichen Deckungstest für die Zwecke des vorstehenden Buchstabens (b) würde keinen Verstoß gegen Wesentliche Verpflichtungen darstellen; oder

(d) Die Emittentin erfüllt die Gesetzlichen Tests für einen Zeitraum von mehr als drei Monaten nicht.

Zur Klarstellung: Ein Verstoß gegen den Vertraglichen Deckungstest löst keinen Kündigungsgrund aus. Allerdings darf die Emittentin, solange dieser Verstoß fortbesteht, keine Tschechischen Schuldverschreibungen begeben, die aus der Deckungsmasse Nutzen ziehen.

Das Recht zur Fälligstellung der Schuldverschreibungen erlischt, falls der fragliche Kündigungsgrund behoben wurde, bevor es zur Ausübung des Rechts kam.

(2) Die Mitteilung der Fälligstellung von Schuldverschreibungen gemäß vorstehendem Abs. 1 soll in Textform seitens des Schuldverschreibungsgläubigers an die Hauptzahlstelle erfolgen, die persönlich oder per Einschreiben zuzustellen ist und einen hinreichend stichhaltigen Nachweis enthalten muss, dass der Schuldverschreibungsgläubiger zum Zeitpunkt der Mitteilung Inhaber der relevanten Schuldverschreibungen ist. Die Schuldverschreibungen werden zum Zeitpunkt des Erhalts der Mitteilung durch die Hauptzahlstelle fällig. Die Hauptzahlstelle wird die Mitteilung ohne weitere Prüfung umgehend an die Emittentin weiterleiten.

§ 10

(Mitteilungen)

[*Im Fall von börsennotierten Schuldverschreibungen einfügen:*

(1) Mitteilungen

[*Wenn Mitteilungen nicht durch elektronische Veröffentlichung auf der Homepage der maßgeblichen Börse bewirkt werden dürfen, einfügen:*

Alle Mitteilungen in Bezug auf die Schuldverschreibungen sind im Bundesanzeiger zu veröffentlichen **[**und**]**

[*Wenn die Veröffentlichung daneben in einem Börsenpflichtblatt zu machen ist*:, soweit gesetzlich erforderlich in einem Börsenpflichtblatt. Dies ist voraussichtlich die **[***Name des Börsenpflichtblatts*

einfügen].] [Ist die Veröffentlichung in dieser Zeitung nicht mehr möglich, werden die Mitteilungen in einem anderen Börsenpflichtblatt gemacht.]

Jede Mitteilung gilt am dritten Tage nach dem Veröffentlichungsdatum (oder, wenn sie mehrmals veröffentlicht wird, am dritten Tage nach der ersten Veröffentlichung) als bewirkt.]

[*Wenn Mitteilungen durch elektronische Veröffentlichung auf der Homepage der maßgeblichen Börse bewirkt werden dürfen, einfügen:*

Alle Mitteilungen in Bezug auf die Schuldverschreibungen werden [zusätzlich] durch elektronische Veröffentlichung auf der Homepage der [*maßgebliche Börse*] (www.[*Internetadresse einfügen*]). Jede Mitteilung gilt am dritten Tage nach dem Veröffentlichungsdatum (oder, wenn sie mehrmals veröffentlicht wird, am dritten Tage nach der ersten Veröffentlichung) als bewirkt.]]

[(2)] *Mitteilungen an das Clearingsystem*.

[*Im Fall von nicht börsennotierten Schuldverschreibungen einfügen:*

Die Emittentin übermittelt alle Mitteilungen in Bezug auf die Schuldverschreibungen dem Clearingsystem zur Weiterleitung durch das Clearingsystem an die Schuldverschreibungsgläubiger. Jede solche Mitteilung gilt am vierten [TARGET2] [Londoner] [*anderes Finanzzentrum einfügen*] Bankarbeitstag nach dem Tag der Übermittlung der Mitteilung an das Clearingsystem als an die Schuldverschreibungsgläubiger bewirkt.]

[*Im Fall von börsennotierten Schuldverschreibungen einfügen:*

Anstelle der in Absatz (1) erwähnten Veröffentlichung in einem Börsenpflichtblatt darf die Emittentin die jeweilige Mitteilung an das Clearingsystem zur Weiterleitung an die Schuldverschreibungsgläubiger übermitteln, sofern das Regelwerk der Börse, an der die Schuldverschreibungen notiert sind, diese Form der Mitteilung gestattet. Jede solche Mitteilung gilt am vierten [TARGET2] [Londoner] [*anderes Finanzzentrum einfügen*] Bankarbeitstag nach dem Tag der Übermittlung der Mitteilung an das Clearingsystem als an die Schuldverschreibungsgläubiger bewirkt.]

[*Im Fall von TARGET2 Bankarbeitstag einfügen:* **TARGET2 Bankarbeitstag** ist ein Tag (außer einem Samstag oder Sonntag), an dem TARGET2 betriebsbereit ist.]

[*Im Fall von nicht-TARGET2 Bankarbeitstagen:* **[Londoner]** [*anderes Finanzzentrum einfügen*] **Bankarbeitstag** bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in [London] [*anderes Finanzzentrum einfügen*] für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.]]

§ 11

(Rückerwerb)

Die Emittentin ist berechtigt, jederzeit Schuldverschreibungen am Markt oder auf sonstige Weise und zu jedem beliebigen Preis zurückzukaufen. Von der Emittentin zurückgekaufte Schuldverschreibungen können nach Ermessen der Emittentin von der Emittentin gehalten, erneut verkauft oder der Hauptzahlstelle zur Entwertung übermittelt werden.

§ 12

(Vorlegungsfrist)

Die in § 801 Absatz (1) Satz 1 BGB vorgesehene Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

§ 13

(Teilunwirksamkeit)

Sollte eine Bestimmung dieser Schuldverschreibungsbedingungen ganz oder teilweise unwirksam oder undurchführbar sein oder werden, so bleiben die übrigen Bestimmungen davon unberührt. Eine in Folge Unwirksamkeit oder Undurchführbarkeit dieser Schuldverschreibungsbedingungen entstehende Lücke ist durch eine dem Sinn und Zweck dieser Schuldverschreibungsbedingungen und den Interessen der Parteien entsprechende Regelung auszufüllen.

§ 14

(Anwendbares Recht, Gerichtsstand, Sprache)

(1) Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Emittentin und der Schuldverschreibungsgläubiger unterliegen dem Recht der Bundesrepublik Deutschland.

(2) Obschon die Schuldverschreibungen ansonsten dem Recht der Bundesrepublik Deutschland unterliegen und nach diesem auszulegen sind, ziehen sie Nutzen aus den einschlägigen Bestimmungen des Tschechischen Schuldverschreibungsgesetzes, der CNB-Verordnung, der Tschechischen Insolvenzordnung und weiteren Bestimmungen des tschechischen Rechts, die auf die Tschechischen Schuldverschreibungen anwendbar oder anderweitig für diese von Relevanz sind. Deshalb müssen die Schuldverschreibungen die Anforderungen der §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes erfüllen und die Deckungsmasse und ihre Verwaltung unterliegen tschechischem Recht. Außerdem finden im Falle eines Insolvenzverfahrens gegen die Emittentin § 375 der Tschechischen Insolvenzordnung sowie weitere einschlägige Bestimmungen der Tschechischen Insolvenzordnung Anwendung auf die Schuldverschreibungen und die Deckungsmasse.

(3) In Bezug auf in der Deckungsmasse enthaltene Hypothekendarlehen nach slowakischem Recht unterliegt die Deckungsmasse denjenigen Rechtsvorschriften des Slowakischen Bankengesetzes und anderer slowakischer Gesetze, die auf slowakische Hypothekendarlehen anwendbar bzw. für diese relevant sind, und genießt den sich aus diesen Vorschriften ergebenden Schutz.

(4) Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den in diesen Schuldverschreibungsbedingungen geregelten Angelegenheiten ist, soweit gesetzlich zulässig, München.

[*Falls die Anleihebedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, einfügen:*

(5) Diese Schuldverschreibungsbedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.**]**

[*Falls die Anleihebedingungen in englischer Sprache mit einer Übersetzung in die deutsche Sprache abgefasst sind, einfügen:*

(5) Diese Schuldverschreibungsbedingungen sind in englischer Sprache abgefasst. Eine Übersetzung in die deutsche Sprache ist beigefügt. Der englische Text ist bindend und maßgeblich. Die Übersetzung in die deutsche Sprache ist unverbindlich.**]**

[*Falls die Anleihebedingungen nur in deutscher Sprache abgefasst sind, einfügen:*

(5) Diese Schuldverschreibungsbedingungen sind ausschließlich in deutscher Sprache abgefasst.]

§ 15

(Änderungen der Schuldverschreibungsbedingungen)

(1) §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (**SchVG**) finden auf die Schuldverschreibungen Anwendung. Von daher ist die Emittentin berechtigt, diese Schuldverschreibungsbedingungen mit der im Wege eines Mehrheitsbeschlusses erteilten Einwilligung der Schuldverschreibungsgläubiger zu ändern.

(2) Die Schuldverschreibungsgläubiger können im Wege eines Mehrheitsbeschlusses insbesondere Folgendem zustimmen:

(a) Änderung des Fälligkeitsdatums für den Zinszahltag, die Minderung oder Aufhebung des Zinses;

(b) Änderung des Fälligkeitsdatums für die Zahlung des Kapitalbetrags;

(c) Minderung des Kapitalbetrags;

(d) Nachrangigstellung der sich aus den Schuldverschreibungen ergebenden Forderungen in einem gegen die Emittentin geführten Insolvenzverfahren;

(e) die Umwandlung bzw. der Austausch der Schuldverschreibungen gegen Aktien oder andere Wertpapiere oder Obligationen;

(f) Wechsel bzw. Freigabe von Sicherheiten;

(g) Änderung der Währung der Schuldverschreibungen;

(h) Verzicht auf bzw. Einschränkung der Kündigungsrechte, die sich für die Schuldverschreibungsgläubiger aus den Schuldverschreibungen ergeben;

(i) Änderung oder Aufhebung von Nebenbestimmungen der Schuldverschreibungen; und

(j) Bestellung oder Abberufung eines gemeinsamen Vertreters für die Schuldverschreibungsgläubiger.

Ein Mehrheitsbeschluss kann nicht dazu verwendet werden, Schuldverschreibungsgläubigern eine Zahlungsverpflichtung oder sonstige Leistungspflichten aufzuerlegen.

(3) Die Schuldverschreibungsgläubiger verabschieden ihre Beschlüsse im Wege einer Abstimmung [in einer Gläubigerversammlung][ohne Versammlung gemäß § 18 SchVG].

Die Versammlung der Schuldverschreibungsgläubiger wird von der Emittentin oder vom Gemeinsamen Vertreter (gemäß der Definition in nachstehender Ziffer 8) einberufen. Gemäß § 9 Abs. 1 erster Satz SchVG i. Verb. m. § 18 SchVG gilt, dass die Versammlung der Schuldverschreibungsgläubiger einberufen werden muss, falls Schuldverschreibungsgläubiger, die zusammen Schuldverschreibungen in einem Wert von 5 % des ausstehenden Kapitalbetrags der Schuldverschreibungen schriftlich hierum nachsuchen, unter Benennung einer der in § 9 Abs. 1 erster Satz SchVG aufgeführten Gründe.

(4) Beschlüsse der Schuldverschreibungsgläubiger werden, vorbehaltlich des nachstehenden Satzes und solange Beschlussfähigkeit gegeben ist, durch eine einfache Mehrheit von Stimmen der stimmberechtigten Schuldverschreibungsgläubiger gefasst.

Für die Verabschiedung von Beschlüssen in den Fällen gemäß § 15 Abs. 2 (a) bis (i) bedarf es einer Mehrheit von mindestens 75 % der Stimmen der stimmberechtigten Schuldverschreibungsgläubiger.

(5) Die an der Abstimmung teilnehmenden Schuldverschreibungsgläubiger geben ihre Stimmen gemäß der Höhe des Kapitalbetrags bzw. ihres rechnerischen Anteils an den ausstehenden Schuldverschreibungen ab. Solange die Berechtigung aus den Schuldverschreibungen bei der Emittentin oder irgendeinem ihrer verbundenen Unternehmen liegt bzw. auf Rechnung der Emittentin oder ihres verbundenen Unternehmens gehalten wird (§ 271 Abs. 2 des Handelsgesetzbuchs), ruht das Stimmrecht in Bezug auf solche Schuldverschreibungen. Die Emittentin ist nicht berechtigt, die mit solchen ruhenden Stimmrechten verbundenen Schuldverschreibungen auf einen Dritten zu übertragen, um die Ausübung der Stimmrechte anstelle der Emittentin zu ermöglichen; dies gilt auch für alle verbundenen

Unternehmen der Emittentin. Niemand ist berechtigt, ein solches Stimmrecht für den im dritten Satz (erster Halbsatz) weiter oben beschriebenen Zweck auszuüben.

(6) Bindende Wirkung: Mehrheitsbeschlüsse sind für alle Schuldverschreibungsgläubiger verbindlich. Beschlüsse, die nicht für identische Bedingungen für alle Schuldverschreibungsgläubiger sorgen, sind nichtig, es sei denn, die benachteiligten Schuldverschreibungsgläubiger haben dieser nachteiligen Behandlung ausdrücklich zugestimmt.

(7) Schuldverschreibungsgläubiger müssen ihre Berechtigung zur Teilnahme an Abstimmungen zum Zeitpunkt der Abstimmung nachweisen, und zwar durch eine besondere Bescheinigung seitens der Depotstelle (wie nachstehend definiert) und durch Vorlage einer Weisung zur Sperrung seitens der Depotstelle zugunsten der Hauptzahlstelle für den Zeitraum der Abstimmung.

Die von der Depotstelle erteilte Bescheinigung muss

(a) den vollständigen Namen und die Adresse des Schuldverschreibungsgläubigers bezeichnen;

(b) den Gesamtkapitalbetrag der Schuldverschreibungen bezeichnen, der dem Wertpapierkonto zum Zeitpunkt der Erteilung der Bescheinigung gutgeschrieben ist; und

(c) bestätigen, dass die Depotstelle dem Clearingsystem und der Hauptzahlstelle schriftlich die Informationen gemäß (a) und (b) übermittelt hat, sowie Bestätigungen seitens des Clearingsystems.

Depotstelle bezeichnet eine Bank oder ein sonstiges anerkanntes Kreditinstitut, die bzw. das zur geschäftsmäßigen Wertpapierverwahrung berechtigt ist und bei der bzw. bei dem der Schuldverschreibungsgläubiger ein Wertpapierkonto betreffend die Schuldverschreibungen unterhält, einschließlich des Clearingsystems.

(8) Die Schuldverschreibungsgläubiger können im Wege eines Mehrheitsbeschlusses einen gemeinsamen Vertreter (den **Gemeinsamen Vertreter**) bestellen, der dann die Rechte der Schuldverschreibungsgläubiger namens jedes einzelnen Schuldverschreibungsgläubigers ausübt. Jede geschäftsfähige natürliche Person oder qualifizierte juristische Person kann als Gemeinsamer Vertreter tätig werden. Jede Person, die:

(a) Mitglied des Verwaltungsrats, Aufsichtsrats, Vorstands oder eines vergleichbaren Gesellschaftsgremiums der Emittentin oder irgendeiner ihrer verbundenen Unternehmen ist oder dort ein Gesellschaftsamt bekleidet oder als Arbeitnehmer beschäftigt ist;

(b) eine Beteiligung von mindestens 20 % am Aktienkapital der Emittentin oder irgendeiner ihrer verbundenen Unternehmen hält;

(c) Finanzgläubiger der Emittentin oder irgendeiner ihrer verbundenen Unternehmen ist, mit einer Forderung, deren Betrag mindestens 20 % der ausstehenden Schuldverschreibungen entspricht, oder bei einem solchen Finanzgläubiger als Mitglied eines Gesellschaftsgremiums, in leitender oder verantwortlicher Position oder als Arbeitnehmer beschäftigt ist; oder

(d) aufgrund einer besonderen persönlichen Beziehung zu irgendeiner der unter (i) bis (iii) genannten Personen der Kontrolle durch eine solche Person unterworfen ist;

muss die maßgeblichen Umstände den Schuldverschreibungsgläubigern gegenüber offenlegen, bevor er als Gemeinsamer Vertreter bestellt wird. Treten solche Umstände nach der Ernennung zum Gemeinsamen Vertreter ein, so wird der Gemeinsame Vertreter die Schuldverschreibungsgläubiger unverzüglich in angemessener Form hiervon unterrichten.

(9) Dem Gemeinsamen Vertreter kommen die Pflichten und Kompetenzen zu, die ihm das Gesetz oder die Schuldverschreibungsgläubiger per Mehrheitsbeschluss einräumen. Der Gemeinsame Vertreter hat sich nach den Weisungen der Schuldverschreibungsgläubiger zu richten. Insoweit als der Gemeinsame Vertreter bevollmächtigt wurde, bestimmte Rechte der Schuldverschreibungsgläubiger geltend zu machen, sind die Schuldverschreibungsgläubiger nicht berechtigt, diese Rechte selbst in Anspruch zu

nehmen, es sei denn, der betreffende Mehrheitsbeschluss sieht dies ausdrücklich vor. Der Gemeinsame Vertreter hat den Schuldverschreibungsgläubigern Bericht über seine Tätigkeiten zu erstatten.

(10) Der Gemeinsame Vertreter haftet den Schuldverschreibungsgläubigern gegenüber in deren Eigenschaft als Gesamtgläubiger für die Erfüllung seiner Pflichten, die er mit der Sorgfalt eines ordentlichen Geschäftsleiters auszuüben hat. [*Falls der Beschluss der Schuldverschreibungsgläubiger eine Beschränkung der Haftung des Gemeinsamen Vertreters vorsieht, einfügen*: Die Haftung des Gemeinsamen Vertreters kann im Wege eines von den Schuldverschreibungsgläubigern verabschiedeten Beschlusses beschränkt werden.][*Falls die Haftung des Gemeinsamen Vertreters auf einen festen Betrag beschränkt ist, einfügen:* Die Haftung des Gemeinsamen Vertreters ist auf einen Betrag des [[*Betrag einfügen*]-fachen seiner Jahresvergütung] [*Betrag einfügen*] beschränkt.] Die Schuldverschreibungsgläubiger entscheiden über die Geltendmachung von Schadensersatzansprüchen seitens der Schuldverschreibungsgläubiger gegenüber dem Gemeinsamen Vertreter.

(11) Der Gemeinsame Vertreter kann von den Schuldverschreibungsgläubigern jederzeit auch ohne Angabe von Gründen von seinem Amt enthoben werden. Der Gemeinsame Vertreter kann bei der Emittentin um sämtliche Auskünfte nachsuchen, die für die Erfüllung seiner Aufgaben erforderlich sind. Die Emittentin kommt für die Kosten und Aufwendungen auf, die mit der Ernennung des Gemeinsamen Vertreters verbunden sind, und zwar einschließlich der angemessenen Vergütung des Gemeinsamen Vertreters.

Option II: Emissionsbedingungen für Variable Verzinsliche Schuldverschreibungen

§ 1

(Serie, Form der Schuldverschreibungen, Ausgabe weiterer Schuldverschreibungen)

(1) Diese Tranche der Serie (die **Serie**) von nach Maßgabe des tschechischen Rechts mit Hypotheken gedeckten Schuldverschreibungen (*hypoteční zástavní listy*) (die **Schuldverschreibungen** der UniCredit Bank Czech Republic and Slovakia, a.s. (die **Emittentin**) wird am **[***Ausgabetag einfügen***]** (der **Ausgabetag**) in Form von Inhaberschuldverschreibungen auf der Grundlage dieser Schuldverschreibungsbedingungen (die **Schuldverschreibungsbedingungen**) in **[***Festgelegte Währung einfügen***]** (die **Festgelegte Währung**) im Gesamtnennbetrag von **[***Gesamtnennbetrag einfügen***]** (der **Gesamtnennbetrag**) in einer Stückelung von **[***Festgelegte Stückelung einfügen***]** (die **Festgelegte Stückelung**) begeben.

[*Im Fall einer Vorläufigen Globalurkunde, die gegen eine Dauerglobalurkunde ausgetauscht wird, einfügen:*

(2) Die Schuldverschreibungen sind anfänglich in einer vorläufigen Globalurkunde (die **Vorläufige Globalurkunde**) ohne Zinsscheine verbrieft. Die Vorläufige Globalurkunde wird am oder nach dem 40. Tag (der **Austauschtag**) nach dem Ausgabetag nur nach Vorlage von Bescheinigungen, wonach der wirtschaftliche Eigentümer oder die wirtschaftlichen Eigentümer der durch die Vorläufige Globalurkunde verbrieften Schuldverschreibungen keine U.S.-Person(en) ist bzw. sind (ausgenommen bestimmte Finanzinstitute oder Personen, die Schuldverschreibungen über solche Finanzinstitute halten) (die **Bescheinigungen über Nicht-U.S.-Eigentum**), gegen eine Dauerglobalurkunde (die **Dauerglobalurkunde** und, zusammen mit der Vorläufigen Globalurkunde, die **Globalurkunden** und einzeln jeweils eine **Globalurkunde**) ausgetauscht. **[***Falls Clearstream, Luxemburg und Euroclear als Clearingsystem bestimmt sind, gilt Folgendes*: Die Details eines solchen Austausches werden in den Büchern der ICSDs (wie nachfolgend definiert) geführt.**]**

Die Inhaber der Schuldverschreibungen (die **Schuldverschreibungsgläubiger**) haben keinen Anspruch auf Ausgabe von Schuldverschreibungen in effektiver Form. Die Schuldverschreibungen sind als Miteigentumsanteile an der Globalurkunde nach den einschlägigen Bestimmungen des Clearingsystems übertragbar. Die Zinsansprüche sind durch die Dauerglobalurkunde verbrieft.

U.S.-Personen sind solche, wie sie in *Regulation S* des *United States Securities Act of 1933* definiert sind und umfassen insbesondere Gebietsansässige der Vereinigten Staaten sowie amerikanische Kapital- und Personengesellschaften.**]**

Jede Globalurkunde trägt die eigenhändigen oder faksimilierten Unterschriften von zwei berechtigten Vertretern der Emittentin sowie die eigenhändige Unterschrift eines Kontrollbeauftragten der Hauptzahlstelle (wie nachstehend in § 5 definiert).**]**

[*Im Fall einer Dauerglobalurkunde ab dem Ausgabetag, einfügen:*

(3) Die Schuldverschreibungen sind in einer Dauerglobalurkunde ohne Zinsscheine verbrieft (die **Dauerglobalurkunde** oder die **Globalurkunde**), die die eigenhändigen oder faksimilierten Unterschriften von zwei Zeichnungsberechtigten der Emittentin sowie die eigenhändige Unterschrift eines Kontrollbeauftragten der Hauptzahlstelle (wie nachstehend in § 5 definiert) trägt. Die Inhaber der Schuldverschreibungen (die **Schuldverschreibungsgläubiger**) haben keinen Anspruch auf Ausgabe von Schuldverschreibungen in effektiver Form. Die Schuldverschreibungen sind als Miteigentumsanteile an

der Globalurkunde nach den einschlägigen Bestimmungen des Clearingsystems übertragbar. Die Zinsansprüche sind durch die Globalurkunde verbrieft.**]**

(4) Jede Globalurkunde wird von einem oder im Namen eines Clearingsystems verwahrt. **Clearingsystem** [sind Clearstream Banking société anonyme, Luxemburg (**Clearstream, Luxemburg**) und Euroclear Bank SA/NV (**Euroclear**)**[**(Clearstream, Luxemburg und Euroclear sind jeweils ein **ICSD** (*International Central Securities Depository*) und gemeinsam die **ICSDs**).**]** **[**ist Clearstream Banking AG, Frankfurt (**CBF**).**]**

[*Im Fall von Euroclear und Clearstream, Luxemburg und wenn die Vorläufige Globalurkunde oder die Dauerglobalurkunde keine New Global Note ist, einfügen:*

(5) Die Schuldverschreibungen werden in Classical Global Note Form ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.]

[*Im Fall von Euroclear und Clearstream, Luxemburg und wenn die Vorläufige Globalurkunde oder die Dauerglobalurkunde eine New Global Note ist, einfügen:*

(6) Die Schuldverschreibungen werden in New Global Note Form ausgegeben und von einer gemeinsamen Verwahrstelle (**Common Safekeeper**) im Namen beider ICSDs verwahrt. Der Nennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Büchern beider ICSDs eingetragenen Gesamtbetrag. Die Bücher der ICSDs (die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind schlüssiger Nachweis über den Nennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bestätigung mit dem Nennbetrag der so verbrieften Schuldverschreibungen ist zu jedem Zeitpunkt ein schlüssiger Nachweis über den Inhalt der Bücher des jeweiligen ICSD.

Bei jeder Rückzahlung oder Zinszahlung bzw. Kauf und Entwertung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen werden die Einzelheiten über Rückzahlung, Zinszahlung bzw. Kauf und Entwertung bezüglich der Globalurkunde anteilig in die Bücher der ICSDs eingetragen und nach dieser Eintragung vom Nennbetrag der in die Bücher der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Schuldverschreibungen abgezogen. **[***Falls die Schuldverschreibungen aufgrund eines optionalen Kündigungsrechts teilweise zurückgezahlt werden können, einfügen:* Für das technische Verfahren der ICSDs im Fall der optionalen Rückzahlung (wie in § 3 definiert) hinsichtlich einer teilweisen Rückzahlung wird der ausstehende Rückzahlungsbetrag (wie nachstehend definiert) entweder als Reduzierung des Nennbetrags oder als Poolfaktor nach billigem Ermessen der ICSDs gemäß § 317 BGB in die Bücher der ICSDs aufgenommen.**]**

[(6)**][**(7)**]** Die Emittentin darf ohne Zustimmung der Schuldverschreibungsgläubiger weitere Schuldverschreibungen mit gleicher Ausstattung in der Weise begeben, dass sie mit den Schuldverschreibungen zusammengefasst werden, mit ihnen eine einheitliche Serie bilden und den Gesamtnennbetrag der Schuldverschreibungen erhöhen. Der Begriff "Schuldverschreibungen" umfasst im Fall einer solchen Erhöhung auch solche zusätzlich begebene Schuldverschreibungen.

§ 2

(Verzinsung)

(1) Die Schuldverschreibungen werden zu ihrem ausstehenden Gesamtnennbetrag ab dem **[***Verzinsungsbeginn einfügen***]** (der **Verzinsungsbeginn**) (einschließlich) **[**für jede Zinsperiode**]** bis zum Fälligkeitstag (wie nachstehend in § 3 (1) definiert) (ausschließlich) zum Zinssatz pro Jahr verzinst. Der jeweilige Zinsbetrag wird, vorbehaltlich einer Verschiebung gemäß der Geschäftstagekonvention **[***Wenn*

eine Anpassung (wie in § 4 bestimmt) erfolgt einfügen: oder einer Anpassung**]**, gemäß § 4 **[**(2)**][**(3)**]** nachträglich an jedem Zinszahltag gemäß den Bestimmungen des § 4 (1) zur Zahlung fällig.

Zinszahltag ist

[*Im Fall von fest zu variabel verzinslichen Schuldverschreibungen einfügen:*

für den Zeitraum, in dem die Schuldverschreibungen fest verzinst werden (der **Festzinszeitraum**),

jeder **[**festgelegtes Zinszahlungsdatum einfügen**] [**eines Jahres**]**

und für den Zeitraum, in dem die Schuldverschreibungen variabel verzinst werden (der **Variable Zinszeitraum**):

[*Im Fall von festen Zinszahltagen einfügen:*

jeder **[festen Zinszahltag einfügen] [**jedes Jahres**] [**und der Fälligkeitstag**]**, beginnend mit **[**ersten Zinszahltag einfügen, der in den Variablen Zinszeitraum fällt**].]**

[*Im Fall von festen Zinszeiträumen einfügen:*

jeder Tag, der (sofern nicht in diesen Schuldverschreibungsbedingungen anderweitig festgelegt) **[***Zahl einfügen***] [**Wochen**] [**Monate**]** nach dem vorangegangenen Zinszahltag **[**sowie der Fälligkeitstag**]**, beginnend mit **[***ersten Zinszahltag einfügen, der in den Variablen Zinszeitraum fällt***].]**

[*Im Fall von anderen als fest zu variabel verzinslichen Schuldverschreibungen einfügen:*

Bei festen Zinszahltagen einfügen:

[*Im Fall von festen Zinszahltagen ohne einen ersten langen/kurzen Kupon einfügen:*

jeder **[***feste(n) Zinszahltag(e) einfügen***] [**eines jeden Jahres**] [**sowie der Fälligkeitstag**]]**

[*Im Fall von festen Zinszahltagen mit erstem langen/kurzen Kupon einfügen:*

Der erste Zinszahltag und danach **[**jeder**][**der**] [***feste(n) Zinszahltag(e) einfügen***] [**eines jeden Jahres**] [**sowie der Fälligkeitstag**].]**

[*Im Fall von festen Zinsperioden einfügen:*

jeder Tag, der (sofern nicht in diesen Schuldverschreibungsbedingungen anderweitig festgelegt) **[***Zahl einfügen***] [**Wochen**] [**Monate**]** nach dem vorangegangenen Zinszahltag oder, im Fall des ersten Zinszahltags, nach dem Verzinsungsbeginn liegt **[**, sowie der Fälligkeitstag**].]**

Zinsperiode ist jeder Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahltag (ausschließlich) und von jedem Zinszahltag (einschließlich) bis zum jeweils folgenden Zinszahltag (ausschließlich).

[*Im Fall von Bildschirmfeststellung einfügen:*

(2) Der Zinssatz (der **Zinssatz**)

[*Im Fall von fest zu variabel verzinslichen Schuldverschreibungen einfügen:*

während des Festzinszeitraums ist für jede in den Festzinszeitraum fallende Zinsperiode **[***festen Zinssatz in % pro Jahr einfügen***]**

[*Im Fall eines ersten kurzen/langen Kupons, einfügen*:, wobei sich der Zinsbetrag für die erste Zinsperiode auf [**[***Bruchteilszinsbetrag einfügen***]** je festgelegte Stückelung beläuft**]** [**[***Bruchteilszinsbetrag einfügen***]** bezogen auf den Gesamtnennbetrag beläuft**]**.]

Der Zinssatz während des Variablen Zinszeitraums ist für jede in den Variablen Zinszeitraum fallende Zinsperiode, soweit nicht nachstehend anders angegeben,**]**

[*Im Fall von anderen als fest zu variabel verzinslichen Schuldverschreibungen einfügen:*

für jede Zinsperiode ist, soweit nicht nachstehend anders angegeben**]**

der Referenzsatz **[***Im Falle eines Faktor einfügen:* multipliziert mit **[***Faktor***]**,**]** **[***Im Falle einer Marge einfügen:*, **[**zuzüglich**]** **[**abzüglich**]** der Marge**]**.

[Im Falle einer Marge einfügen: **Marge** ist **[**Prozentsatz einfügen in % pro Jahr**]**.**]**

Referenzsatz ist

[*Im Fall von Schuldverschreibungen außer Constant Maturity Swap ("CMS") variabel verzinslichen Schuldverschreibungen einfügen:*]

[im Fall von Schuldverschreibungen, bei denen der Referenzsatz nicht SONIA®, SOFR® oder €STR® ist, einfügen: der **[[***Zahl einfügen***]**-Monats **[**Euribor**]** **[**Pribor**]** Angebotssatz (ausgedrückt als Prozentsatz pro Jahr) für Einlagen in der Festgelegten Währung für die entsprechende Zinsperiode, der auf der Bildschirmseite um 11:00 Uhr **[***Im Fall des Euribor als Referenzsatz einfügen*: Brüsseler**]** **[***Im Fall des Pribor als Referenzsatz einfügen*: Prager**]** Zeit am entsprechenden Zinsfeststellungstag angezeigt wird**]]** **[***Im Fall von SONIA® als Referenzsatz einfügen*: der "Sterling Overnight Index Average" (**SONIA®**) für den jeweiligen Londoner Bankarbeitstag, der auf der Bildschirmseite um 9.00 Uhr (Londoner Zeit) am relevanten Zinsfeststellungstag erscheint, wobei ein Durchschnittskurs für die relevante Zinsperiode gemäß der folgenden Formel berechnet wird.

Compounded Daily SONIA® bezeichnet den nach der Zinseszinsformel zu berechnenden Renditesatz einer Anlage (mit dem täglichen SONIA® als Referenzsatz zur Zinsberechnung) und wird von der **[**Berechnungsstelle**]** **[●]** am Zinsfeststellungstag gemäß der folgenden Formel berechnet:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{\text{SONIA}^{®}_{\text{i-pLBD}}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

d	bezeichnet die Anzahl der Kalendertage in der jeweiligen Zinsperiode;
d_o	bezeichnet die Anzahl der Londoner Bankarbeitstage in der jeweiligen Zinsperiode;
i	bezeichnet eine Reihe von ganzen Zahlen von eins bis d_o, die in chronologischer Folge jeweils einen Londoner Bankarbeitstag vom, und

einschließlich des, ersten Londoner Bankarbeitstages der jeweiligen Zinsperiode wiedergeben;

p bezeichnet [*relevante Definition einfügen*];

n_i bezeichnet an jedem Tag "i" die Anzahl der Kalendertage von dem Tag "i" (einschließlich) bis zu dem folgenden Londoner Bankarbeitstag (ausschließlich);

SONIA®$_{i-pLBD}$ bezeichnet für jeden Londoner Bankarbeitstag in dem jeweiligen Beobachtungszeitraum den SONIA® Referenzsatz an dem Londoner Bankarbeitstag, der "p" Londoner Bankarbeitstage vor dem jeweiligen Londoner Bankarbeitstag "i" liegt.

Beobachtungszeitraum bezeichnet den Zeitraum von dem Tag (einschließlich), welcher fünf Londoner Bankarbeitstage vor dem ersten Tag der jeweiligen Zinsperiode liegt, bis zu dem Tag (ausschließlich), welcher fünf Londoner Bankarbeitstage vor dem Zinszahlungstag einer solchen Zinsperiode liegt (oder den Tag, der fünf Londoner Bankarbeitstage vor einem solchen früheren Tag liegt (falls vorhanden), an dem die Schuldverschreibungen fällig und zahlbar werden).**]**

[*Im Fall von SOFR® als Referenzsatz einfügen*: die "US-Dollar Overnight Financing Rate" (**SOFR®**) für den jeweiligen US Staatsanleihen Bankarbeitstag, die ab 17.00 Uhr (New Yorker Zeit) am relevanten Zinsfeststellungstag auf der Bildschirmseite erscheint, wobei ein Durchschnittskurs für die relevante Zinsperiode nach der folgenden Formel berechnet wird.

Compounded Daily SOFR® bezeichnet den nach der Zinseszinsformel zu berechnenden Renditesatz einer Anlage (mit der täglichen SOFR® als Referenzsatz zur Zinsberechnung) und wird von der **[**Berechnungsstelle**] [●]** am Zinsfeststellungstag gemäß der folgenden Formel berechnet:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{\text{SOFR}^{®}{}_{i-pUSBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

d bezeichnet die Anzahl der Kalendertage in der jeweiligen Zinsperiode;

d_o bezeichnet die Anzahl der US Staatsanleihen Bankarbeitstage in der jeweiligen Zinsperiode;

i bezeichnet eine Reihe von ganzen Zahlen von eins bis d_o, die in chronologischer Folge jeweils einen US Staatsanleihen Bankarbeitstag vom, und einschließlich des, ersten US Staatsanleihen Bankarbeitstages der jeweiligen Zinsperiode wiedergeben;

p bezeichnet [*relevante Definition einfügen*];

n_i bezeichnet an jedem Tag "i" die Anzahl der Kalendertage von dem Tag "i" (einschließlich) bis zu dem folgenden US Staatsanleihen Bankarbeitstag (ausschließlich);

SOFR®$_{i-pUSBD}$ bezeichnet für jeden US Staatsanleihen Bankarbeitstag in dem jeweiligen Beobachtungszeitraum den SOFR® Referenzsatz an dem US Staatsanleihen Bankarbeitstag, der "p" US Staatsanleihen Bankarbeitstage vor dem jeweiligen US Staatsanleihen Bankarbeitstag "i" liegt.

Beobachtungszeitraum bezeichnet den Zeitraum von dem Tag (einschließlich), welcher fünf US Staatsanleihen Bankarbeitstage vor dem ersten Tag der jeweiligen Zinsperiode liegt, bis zu dem Tag (ausschließlich), welcher fünf US Staatsanleihen Bankarbeitstage vor dem Zinszahlungstag einer solchen Zinsperiode liegt (oder den Tag, der fünf US Staatsanleihen Bankarbeitstage vor einem solchen früheren Tag liegt (falls vorhanden), an dem die Schuldverschreibungen fällig und zahlbar werden).**]**

[*Im Fall €STR® als Referenzsatz einfügen:* die "Euro short-term rate" (**€STR®**) für den jeweiligen TARGET2-Bankarbeitstag entspricht, die ab 9.00 Uhr (Brüsseler Zeit) am relevanten

Zinsfeststellungstag erscheint, wobei ein Durchschnittskurs für die relevante Zinsperiode nach der folgenden Formel berechnet wird.

Compounded Daily €STR® bezeichnet den nach der Zinseszinsformel zu berechnenden Renditesatz einer Anlage (mit der täglichen €STR® als Referenzsatz zur Zinsberechnung) und wird von der **[**Berechnungsstelle**] [●]** am Zinsfeststellungstag gemäß der folgenden Formel berechnet:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{€\text{STR}^{®}_{i-pTBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

d	bezeichnet die Anzahl der Kalendertage in der jeweiligen Zinsperiode;
do	bezeichnet die Anzahl der TARGET2-Bankarbeitstage in der jeweiligen Zinsperiode;
i	bezeichnet eine Reihe von ganzen Zahlen von eins bis do, die in chronologischer Folge jeweils einen TARGET2-Bankarbeitstag vom, und einschließlich des, ersten TARGET2-Bankarbeitstages der jeweiligen Zinsperiode wiedergeben;
p	bezeichnet [*relevante Definition einfügen*].
ni	bezeichnet an jedem Tag "i" die Anzahl der Kalendertage von dem Tag "i" (einschließlich) bis zu dem folgenden TARGET2-Bankarbeitstag (ausschließlich);
€STR®$_{i-pTBD}$	bezeichnet für jeden TARGET2-Bankarbeitstag in dem jeweiligen Beobachtungszeitraum den €STR® Referenzsatz an dem TARGET2-Bankarbeitstag, der "p" TARGET2-Bankarbeitstage vor dem jeweiligen TARGET2-Bankarbeitstag "i" liegt.
Beobachtungszeitraum	bezeichnet den Zeitraum von dem Tag (einschließlich), welcher fünf TARGET2-Bankarbeitstage vor dem ersten Tag der jeweiligen Zinsperiode liegt, bis zu dem Tag (ausschließlich), welcher fünf TARGET2-Bankarbeitstage vor dem Zinszahlungstag einer solchen Zinsperiode liegt (oder den Tag, der fünf TARGET2-Bankarbeitstage vor einem solchen früheren Tag liegt (falls vorhanden), an dem die Schuldverschreibungen fällig und zahlbar werden).

[Falls erforderlich wird der ermittelte Prozentsatz auf- oder abgerundet auf die fünfte Dezimalstelle, wobei 0,000005 aufgerundet wird.**]**

[*Im Fall eines ersten kurzen/langen Kupons, bei der eine Interpolation angewandt werden soll, einfügen:*

(Davon ausgenommen ist die Zinsperiode, die mit dem ersten Zinszahltag endet, für die der Referenzsatz gebildet wird anhand der linearen Interpolation des **[***Zahl einfügen***]**-Monats-**[**Euribor-**]**- [*Zahl einfügen*]-Monats [Pribor] Angebotssatz und des **[***Zahl einfügen***]**-Monats-**[**Euribor-**]**- [*Zahl einfügen*]-Monats [Pribor] Angebotssatz (jeweils ausgedrückt als Prozentsatz pro Jahr) jeweils für Einlagen in der Festgelegten Währung für die entsprechende Zinsperiode, der jeweils auf der Bildschirmseite um 11:00 Uhr **[***Im Fall des Euribor als Referenzsatz einfügen*: Brüsseler**] [***Im Fall des Pribor als Referenzsatz einfügen*: Prager**]** Zeit am entsprechenden Zinsfeststellungstag angezeigt wird.)**]**

[*Im Fall eines letzten kurzen Kupons, bei der eine Interpolation angewandt werden soll, einfügen: :*

(Davon ausgenommen ist die Zinsperiode, die mit dem Fälligkeitstag endet, für die der Referenzsatz gebildet wird anhand der linearen Interpolation des **[***Zahl einfügen***]**-Monats-**[**Euribor-**]** -[*Zahl einfügen*]-Monats [Pribor] Angebotssatz und des **[***Zahl einfügen***]**-Monats-**[**Euribor-**]** [*Zahl einfügen*]-Monats [Pribor] Angebotssatz (jeweils ausgedrückt als Prozentsatz pro Jahr) jeweils für Einlagen in der Festgelegten Währung für die entsprechende Zinsperiode, der jeweils auf der Bildschirmseite um 11:00

Uhr **[***Im Fall des Euribor als Referenzsatz einfügen*: Brüsseler**] [***Im Fall des Pribor als Referenzsatz einfügen*: Prager**]** Zeit am entsprechenden Zinsfeststellungstag angezeigt wird.)**]**

[*Im Fall des Euribor oder des Pribor als Referenzsatz einfügen:*

Sollte jeweils zur genannten Zeit die Bildschirmseite nicht zur Verfügung stehen oder kein Angebotssatz angezeigt werden, so wird die Berechnungsstelle -jede[r] Referenzbank bitten, ihren Satz, zu dem sie führenden Banken im **[***Im Fall des Euribor als Referenzsatz einfügen*: Interbanken-Markt in der Euro-Zone**] [***Im Fall des Pribor als Referenzsatz einfügen*: Prager Interbanken-Markt**]** gegen 11:00 Uhr, **[***Im Fall des Euribor als Referenzsatz einfügen*: Brüsseler**] [***Im Fall des Pribor als Referenzsatz einfügen*: Prager**]** Zeit, am entsprechenden Zinsfeststellungstag Einlagen in der Festgelegten Währung für die entsprechende Zinsperiode in Höhe eines repräsentativen Betrags anbieten, zur Verfügung zu stellen.

Falls mindestens zwei Referenzbanken der Berechnungsstelle solche Angebote zur Verfügung stellen, ist der Referenzsatz für die betreffende Zinsperiode das arithmetische Mittel dieser Angebotssätze (falls erforderlich, gerundet auf den nächsten **[***Im Fall des Euribor als Referenzsatz einfügen:* eintausendstel Prozentpunkt, wobei 0,0005**] [***Im Fall des Pribor als Referenzsatz einfügen*: einhunderttausendstel Prozentpunkt, wobei 0,000005**]** aufgerundet wird).

Falls an einem Zinsfeststellungstag nur eine oder keine Referenzbank der Berechnungsstelle solche Angebote zur Verfügung stellt, ist der entsprechende Referenzsatz das arithmetische Mittel (wie oben beschrieben gerundet) der Sätze, zu denen Großbanken in **[***Im Fall des Euribor als Referenzsatz einfügen:* der Euro-Zone**] [***Im Fall des Pribor als Referenzsatz einfügen*: Prag**]**, die durch die Berechnungsstelle nach billigem Ermessen (§ 315 BGB) ausgewählt wurden, gegen 11:00 Uhr **[***Im Fall des Euribor als Referenzsatz einfügen:* Brüsseler Zeit**] [***Im Fall des Pribor als Referenzsatz einfügen*: Prager Zeit**]** an diesem Zinsfeststellungstag führenden europäischen Banken Darlehen in der Festgelegten Währung für die entsprechende Zinsperiode in Höhe eines repräsentativen Betrags anbieten.

[*Im Fall des SONIA® als Referenzsatz einfügen:*

Sollte die maßgebliche Bildschirmseite nicht zur Verfügung stehen oder wird zu der genannten Zeit kein Angebotssatz angezeigt, ist SONIA®: (i) der Zinssatz der Bank of England (der **Einlagenzinssatz**), der bei Geschäftsschluss am jeweiligen Londoner Bankarbeitstag gilt; plus (ii) der Mittelwert der Zinsspannen von SONIA® zum Einlagenzinssatz der letzten fünf Tage, an denen SONIA® veröffentlicht wurde, mit Ausnahme der höchsten Zinsspanne (oder, wenn es mehr als eine höchste Zinsspanne gibt, nur eine dieser höchsten Zinsspannen) und der niedrigsten Zinsspanne (oder, wenn es mehr als eine niedrigste Zinsspanne gibt, nur eine dieser niedrigsten Zinsspannen) zum Einlagenzinssatz.

Unbeschadet des vorstehenden Absatzes soll sich die **[**Berechnungsstelle**] [●]** für den Fall, dass die Bank of England Leitlinien (i) zur Bestimmung von SONIA® oder (ii) zu einem Satz, der SONIA® ersetzen soll, veröffentlicht, in einem Umfang, der vernünftigerweise praktikabel ist, solchen Leitlinien zur Bestimmung von SONIA® für die Zwecke der Schuldverschreibungen anschließen, so lange wie SONIA® nicht verfügbar ist oder nicht von autorisierten Stellen veröffentlicht worden ist.

Für den Fall, dass der Zinssatz nicht gemäß den vorstehenden Bestimmungen von der **[**Berechnungsstelle**] [●]** bestimmt werden kann, soll der Zinssatz (i) derjenige des letzten vorangegangenen Zinsfeststellungstages sein oder, (ii) wenn es keinen solchen vorangegangenen Zinsfeststellungstag gibt, der Ausgangszinssatz sein, der für solche Schuldverschreibungen für die erste Zinsperiode anwendbar gewesen wäre, wären die Schuldverschreibungen für einen Zeitraum von gleicher Dauer wie die erste Zinsperiode bis zum Verzinsungsbeginn (ausschließlich) begeben worden.**]**

[*Im Fall des SOFR® als Referenzsatz einfügen:*

Sollte die maßgebliche Bildschirmseite nicht zur Verfügung stehen oder wird zu der genannten Zeit kein Angebotssatz angezeigt, und (1) sofern nicht sowohl ein SOFR® Index Einstellungsereignis als auch ein SOFR® Index Einstellungsstichtag vorliegt, gilt der SOFR® des letzten US Staatsanleihen

Bankarbeitstags, an dem der SOFR® auf der Bildschirmseite veröffentlicht wurde; oder (2) wenn ein SOFR® Index Einstellungsereignis und ein SOFR® Index Einstellungsstichtag vorliegt, gilt der Zinssatz (einschließlich etwaiger Zinsspannen oder Anpassungen), der als Ersatz für den SOFR® vom Federal Reserve Board und/oder der Federal Reserve Bank of New York oder einem Ausschuss festgelegt wurde, der vom Federal Reserve Board und/oder der Federal Reserve Bank of New York offiziell eingesetzt oder einberufen wurde, um einen Ersatz für den Secured Overnight Financing Rate (der von einer Federal Reserve Bank oder einer anderen zuständigen Behörde festgelegt werden kann) vorzugeben, vorausgesetzt, dass wenn kein solcher Zinssatz innerhalb eines US Staatsanleihen Bankarbeitstags nach dem SOFR® Index Einstellungsereignis empfohlen wurde, der Zinssatz für jeden Zinsfeststellungstag an oder nach dem SOFR® Index Einstellungsstichtag bestimmt wird als ob (i) Bezugnahmen auf SOFR® Bezugnahmen auf OBFR wären, (ii) Bezugnahmen auf US Staatsanleihen Bankarbeitstage Bezugnahmen auf New York Bankarbeitstage wären, (iii) Bezugnahmen auf SOFR® Index Einstellungsereignisse Bezugnahmen auf OBFR Index Einstellungsereignisse wären und (iv) Bezugnahmen auf SOFR® Index Einstellungsstichtage Bezugnahmen auf OBFR Index Einstellungsstichtage wären und weiterhin vorausgesetzt, dass wenn kein solcher Zinssatz innerhalb eines US Staatsanleihen Bankarbeitstags nach dem SOFR® Index Einstellungsereignis empfohlen wurde und ein OBFR Index Einstellungsereignis vorliegt, der Zinssatz für jeden Zinsfeststellungstag an oder nach dem SOFR® Index Einstellungsstichtag bestimmt wird als ob (x) Bezugnahmen auf den SOFR® Bezugnahmen auf die FOMC Target Rate wären, (y) Verweise auf US Staatsanleihen Bankarbeitstage Verweise auf New York Bankarbeitstage wären und (z) Verweise auf die Bildschirmseite Verweise auf die Website der Federal Reserve wären.

Wobei insofern gilt:

FOMC Target Rate bezeichnet den kurzfristigen Zinssatz festgesetzt durch das Federal Open Market Committee auf der Website der Federal Reserve Bank of New York oder, wenn das Federal Open Market Committee keinen einzelnen Referenzzinssatz avisiert, das Mittel des kurzfristigen Zinssatzes festgesetzt durch das Federal Open Market Committee auf der Website der Federal Reserve Bank of New York (berechnet als arithmetisches Mittel zwischen der oberen Grenze der Ziel-Bandbreite und der unteren Grenze der Ziel-Bandbreite).

U.S. Staatsanleihen Bankarbeitstag bezeichnet jeden Tag, ausgenommen Samstag, Sonntag oder einen Tag, für den die Securities Industry and Financial Markets Association die ganztägliche Schließung der Abteilungen für festverzinsliche Wertpapiere ihrer Mitglieder im Hinblick auf den Handel mit US-Staatspapieren empfiehlt.

OBFR bezeichnet in Bezug auf jeden Zinsfeststellungstag die tägliche Overnight Bank Funding Rate hinsichtlich des jenem Zinsfeststellungstag vorangehenden New Yorker Bankarbeitstags, wie von der Federal Reserve Bank of New York als Administrator (oder einem Nachfolgeadministrator) eines solchen Referenzzinssatzes auf der Website der Federal Reserve Bank of New York gegen 17:00 Uhr (New Yorker Zeit) an einem solchen Zinsfeststellungstag zur Verfügung gestellt wird.

OBFR Index Einstellungsstichtag bezeichnet in Bezug auf das OBFR Index Einstellungsereignis den Zeitpunkt, an dem die Federal Reserve Bank of New York (oder eines Nachfolgeadministrators der Overnight Bank Funding Rate) die Overnight Bank Funding Rate nicht mehr veröffentlicht oder der Zeitpunkt, ab dem die Overnight Bank Funding Rate nicht mehr genutzt werden kann.

OBFR Index Einstellungsereignis bedeutet den Eintritt eines oder mehrerer der folgenden Ereignisse:

(a) eine öffentliche Erklärung der Federal Reserve Bank of New York (oder eines Nachfolgeadministrators der OBFR), die ankündigt, dass sie dauerhaft oder auf unbestimmte Zeit die OBFR nicht mehr bestimmt oder bestimmen wird, vorausgesetzt, dass zu dieser Zeit kein Nachfolgeadministrator existiert, der weiterhin eine OBFR zur Verfügung stellt; oder

(b) die Veröffentlichung von Informationen, welche hinreichend bestätigt, dass die Federal Reserve Bank of New York (oder ein Nachfolgeadministrator der OBFR) dauerhaft oder auf unbestimmte Zeit die OBFR nicht mehr bestimmt oder bestimmen wird, vorausgesetzt, dass zu dieser Zeit kein Nachfolgeadministrator existiert, der weiterhin eine OBFR zur Verfügung stellt; oder

(c) eine öffentliche Erklärung durch eine US Regulierungsbehörde oder eine andere öffentliche Stelle der USA, welche die Anwendung der OBFR verbietet, wobei sich dieses Verbot u.a. (aber keineswegs ausschließlich) auf festverzinsliche Wertpapiere und Derivate erstreckt, insoweit

diese öffentliche Erklärung von der International Swaps and Derivatives Association, Inc., als "OBFR Index Einstellungsereignis" (*OBFR Index Cessation Event*) öffentlich anerkannt wurde gemäß den von der International Swaps and Derivatives Association, Inc. herausgegebenen 2006 ISDA Definitions (in der zum Ausgabetag bzw. ggfs. einem anderen, in den Endgültigen Bedingungen bestimmten Datum geltenden Fassung) (die **ISDA-Definitionen**).

SOFR® Index Einstellungsstichtag meint in Bezug auf das SOFR® Index Einstellungsereignis den Zeitpunkt, ab dem die Federal Reserve Bank of New York (oder ein Nachfolgeadministrator der Secured Overnight Financing Rate) die Secured Overnight Financing Rate nicht mehr veröffentlicht oder den Zeitpunkt, ab dem die Secured Overnight Financing Rate nicht mehr genutzt werden kann.

SOFR® Index Einstellungsereignis bedeutet den Eintritt eines oder mehrerer der folgenden Ereignisse:

(a) eine öffentliche Erklärung der Federal Reserve Bank of New York (oder eines Nachfolgeadministrators der Secured Overnight Financing Rate), die ankündigt, dass sie dauerhaft oder auf unbestimmte Zeit die Secured Overnight Financing Rate nicht mehr bestimmt oder bestimmen wird, vorausgesetzt, dass zu dieser Zeit kein Nachfolgeadministrator existiert, der weiterhin eine Secured Overnight Financing Rate zur Verfügung stellt; oder

(b) die Veröffentlichung von Informationen, welche hinreichend bestätigt, dass die Federal Reserve Bank of New York (oder ein Nachfolgeadministrator der Secured Overnight Financing Rate) dauerhaft oder auf unbestimmte Zeit die Secured Overnight Financing Rate nicht mehr bestimmt oder bestimmen wird, vorausgesetzt, dass zu dieser Zeit kein Nachfolgeadministrator existiert, der weiterhin eine Secured Overnight Financing Rate zur Verfügung stellt; oder

(c) eine öffentliche Erklärung durch eine US Regulierungsbehörde oder eine andere öffentliche Stelle der USA, welche die Anwendung der Secured Overnight Financing Rate verbietet, wobei sich dieses Verbot u.a. (aber keineswegs ausschließlich) auf festverzinsliche Wertpapiere und Derivate erstreckt, insoweit diese öffentliche Erklärung von der International Swaps and Derivatives Association, Inc., als ein "SOFR Index Einstellungsereignis" (*SOFR Index Cessation Event*) im Sinne der ISDA-Definitionen öffentlich anerkannt wurde.**]**

[*Im Fall des €STR® als Referenzsatz einfügen:*

€STR®i ist: (i) der Satz, der zuletzt vor dem jeweiligen Zinsfeststellungstag auf der **[***Bildschirmseite einfügen***]** veröffentlicht wurde.

Unbeschadet des vorstehenden Absatzes soll sich **[**die Berechnungsstelle**] [●]** für den Fall, dass die Europäische Zentralbank Leitlinien (i) zur Bestimmung von €STR® oder (ii) zu einem Satz, der €STR®i ersetzen soll, veröffentlicht, in einem Umfang, der vernünftigerweise praktikabel ist, solchen Leitlinien zur Bestimmung von €STR®i anschließen, so lange wie €STR®i für die Zwecke der Schuldverschreibungen nicht verfügbar ist oder nicht von autorisierten Stellen veröffentlicht worden ist.

Für den Fall, dass der Zinssatz nicht gemäß den vorstehenden Bestimmungen von **[**der Berechnungsstelle**] [●]** bestimmt werden kann, soll der Zinssatz (i) derjenige des letzten vorangegangenen Zinsfeststellungstages sein oder, (ii) wenn es keinen solchen vorangegangenen Zinsfeststellungstag gibt, der Ausgangszinssatz sein, der für solche Schuldverschreibungen für die erste Zinsperiode anwendbar gewesen wäre, wären die Schuldverschreibungen für einen Zeitraum von gleicher Dauer wie die erste Zinsperiode bis zum Verzinsungsbeginn (ausschließlich) begeben worden.**]**

Zinsfeststellungstag bezeichnet den **[**zweiten**] [**ersten**] [**letzten] **[**andere Zahl von Tagen einfügen**] [**Falls der Referenzsatz der Euribor oder der €STR® ist, einfügen: TARGET2**] [**Falls der Referenzsatz der SONIA® ist, einfügen: Londoner**] [**Falls der Referenzsatz der SOFR® ist, einfügen: US Staatsanleihen**] [**anderes Finanzzentrum einfügen**]** Bankarbeitstag [vor] **[**Beginn**] [**Ende**]** der jeweiligen Zinsperiode.

[*Falls der Referenzsatz der Euribor oder der €STR® ist, einfügen:* **TARGET2-Bankarbeitstag** bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem TARGET2 betriebsbereit ist.**]**

[*Falls der Referenzsatz der SONIA® ist, einfügen:* **[Londoner] [***Falls der Referenzsatz der SOFR® ist, einfügen*: US Staatsanleihen**] [***anderes Finanzzentrum einfügen***]** **Bankarbeitstag** bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in **[***Falls der Referenzsatz der SONIA®*

ist, einfügen: London**]** **[***Falls der Referenzsatz der SOFR® ist, einfügen*: New York**]** **[***anderes Finanzzentrum einfügen***]** für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.**]**

[*Falls TARGET2 anwendbar ist, einfügen:* **TARGET2** ist das Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2).]

Bildschirmseite ist **[***maßgebliche Bildschirmseite einfügen***]** (oder eine diese Seite ersetzende Seite).

Referenzbanken sind vier Großbanken im **[***Im Fall des Euribor als Referenzsatz einfügen:* Interbanken-Markt in der Euro-Zone**]**, die von der Emittentin nach billigem Ermessen (§ 315 BGB) bestimmt werden.

[*Falls der Referenzsatz der Euribor ist, einfügen:* **Euro-Zone** bezeichnet die Staaten und Gebiete, die im Anhang der Verordnung (EG) Nr. 974/98 des Rates vom 3. Mai 1998 über die Einführung des Euro, in ihrer jeweils aktuellen Fassung, aufgeführt sind.**]**

Wenn (i) die Emittentin oder die Berechnungsstelle den **[**Referenzsatz**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** nicht mehr verwenden darf, (ii) der Administrator des **[**Referenzsatzes**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** die Berechnung und Veröffentlichung des **[**Referenzsatzes**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** dauerhaft oder für eine unbestimmte Zeit einstellt, (iii) der Administrator des **[**Referenzsatzes**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** zahlungsunfähig wird oder ein Insolvenz-, Konkurs-, Restrukturierungs- oder ähnliches Verfahren (den Administrator betreffend) durch den Administrator oder durch die Aufsichts- oder Kontrollbehörden eingeleitet wurde, oder (iv) der **[**Referenzsatz**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** anderweitig eingestellt ist (jeweils ein **Einstellungsereignis**), soll der **[**Referenzsatz**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** durch einen von der Emittentin festgelegten Zinssatz durch Anwendung der Schritte (I) bis (IV) (in dieser Reihenfolge) folgendermaßen ersetzt werden (**Nachfolge-Referenzsatz**):

(i) Der **[**Referenzsatz**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** soll durch den **[**Referenzsatz**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** ersetzt werden, der durch den Administrator des **[**Referenzsatzes**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]**, die zuständige Zentralbank oder eine Kontroll- oder Aufsichtsbehörde als Nachfolge- Referenzsatz für den **[**Referenzsatz**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** und für die Dauer des **[**Referenzsatzes**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** bekannt gegeben wird und der in Übereinstimmung mit geltendem Recht genutzt werden darf; oder (wenn ein solcher Nachfolge-Referenzsatz nicht festgelegt werden kann);

(ii) der **[**Referenzsatz**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** soll durch einen alternativen Referenzsatz ersetzt werden, der üblicherweise (in Übereinstimmung mit geltendem Recht) als Referenzsatz für Schuldverschreibungen in der jeweiligen Währung mit vergleichbarer Laufzeit verwendet wird oder verwendet werden wird; oder (falls ein solcher alternativer Referenzsatz nicht bestimmt werden kann);

(iii) der **[**Referenzsatz**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** soll durch einen Zinssatz ersetzt werden, der üblicherweise (in Übereinstimmung mit geltendem Recht) als Referenzsatz (x) für Zinsswaps (fest-zu-variabel verzinslich) in der relevanten Währung, oder (y) für börsengehandelte Zinsfutures mit vergleichbarer Laufzeit verwendet wird; oder (falls ein solcher alternativer Referenzsatz nicht bestimmt werden kann)

(iv) der **[**Referenzsatz**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** soll durch einen Zinssatz ersetzt werden, der von der Emittentin (die, für die Zwecke einer solchen Festlegung das Recht (aber nicht die Verpflichtung) hat, die Meinung eines renommierten, unabhängigen Finanzberaters oder einer Finanzinstitution, die mit den zu diesem Zeitpunkt erforderlichen Berechnungsarten Erfahrung hat), einzuholen und auf diese zu vertrauen) nach billigem Ermessen unter Berücksichtigung der Dauer des **[**Referenzsatz**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** und der jeweiligen Währung in wirtschaftlich vertretbarer Weise, basierend auf dem allgemeinen Marktzinsniveau zum relevanten Zeitpunkt in der Bundesrepublik Deutschland festgelegt wird.

Die Emittentin legt zudem fest, welche Bildschirmseite oder andere Quelle in Verbindung mit einem solchen Nachfolge- Referenzsatz verwendet werden soll (die **Nachfolge-Bildschirmseite**). Ab dem Zeitpunkt der Bestimmung des Nachfolge- Referenzsatzes (der **maßgebliche Zeitpunkt**) gilt jede Bezugnahme auf den **[**Referenzsatz**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** als Bezugnahme auf den Nachfolge-Referenzsatz und jede Bezugnahme auf die Bildschirmseite bezieht sich vom maßgeblichen Zeitpunkt an als Bezugnahme auf die Nachfolge-Bildschirmseite, und die Bestimmungen dieses Absatzes gelten entsprechend. Die Emittentin informiert anschließend die Schuldverschreibungsgläubiger gemäß § 8.

Zusätzlich zu einer Ersetzung des **[**Referenzsatz**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** durch einen Nachfolge-Referenzsatz kann die Emittentin einen Zinsanpassungsfaktor oder Bruch oder Spanne festlegen, der oder die bei der Ermittlung des Zinssatzes und bei der Berechnung des Zinsbetrags angewendet werden soll, mit dem Ziel ein Ergebnis zu erzielen, das mit dem wirtschaftlichen Gehalt der Schuldverschreibungen vor Eintritt des Einstellungsereignisses vereinbar ist und das sich nicht zum wirtschaftlichen Nachteil der Inhaber auswirkt.

Wenn ein Einstellungsereignis eintritt und der **[**Referenzsatz**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** nicht wie oben beschrieben gemäß der Punkte (I) bis (IV) durch die Emittentin ersetzt werden kann, kann die Emittentin die Schuldverschreibungen ganz **[**oder teilweise**]** zurückzahlen. Die Schuldverschreibungen werden entsprechend der Vorschriften des § 4 zum Nennbetrag zurückgezahlt, zusammen mit etwaigen bis zum Rückzahlungstag aufgelaufenen Zinsen. Die Emittentin wird den Schuldverschreibungsgläubigern gemäß § 8 eine solche Kündigung mitteilen.

Sofern sich die Emittentin für die Rückzahlung der Schuldverschreibungen entscheidet, gilt als Zinssatz ab dem ersten Zinszahltag nach dem Einstellungsereignis bis zum Rückzahlungstag **[**der für die unmittelbar vorausgehende Zinsperiode geltende Zinssatz**]****[**der Angebotssatz oder das arithmetische Mittel der Angebotssätze auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Zinsfeststellungstag, an dem diese Angebotssätze angezeigt wurden **[Im Fall eines Faktors einfügen:**, multipliziert mit **[Faktor]] [im Fall einer Marge einfügen**: **[**zuzüglich**]** **[**abzüglich**]** der Marge (wobei jedoch, falls für die relevante Zinsperiode eine andere Marge als für die unmittelbar vorhergehende Zinsperiode gilt, die relevante Marge an die Stelle der Marge für die vorhergehende Zinsperiode tritt)**]**. **[Im Falle einer Marge, die zuzüglich des Referenzsatzes gezahlt wird, einfügen:** Nimmt der ermittelte Angebotssatz einen negativen Wert an, wird er gegen die Marge verrechnet, so dass er die Marge verringert.**]** Der Zinssatz beträgt stets mindestens 0 (Null)**]** **[●]**. Sofern sich die Emittentin nicht für die Rückzahlung der Schuldverschreibungen entscheidet, findet derselbe Zinssatz ab dem ersten Zinszahltag nach dem Einstellungsereignis Anwendung.**]**

[*Im Fall von CMS variabel verzinslichen Schuldverschreibungen einfügen:*

der **[***relevante Anzahl von Jahren einfügen***]**-Jahres Constant Maturity Swap Satz (ausgedrückt als Prozentsatz pro Jahr), der auf der Bildschirmseite zur Referenzsatzzeit am jeweiligen Zinsfestlegungstag angezeigt wird, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

Bildschirmseite ist **[***maßgebliche Bildschirmseite einfügen***]** (oder eine diese Seite ersetzende Seite).

Sollte jeweils zur genannten Zeit die Bildschirmseite nicht zur Verfügung stehen oder kein **[***relevante Anzahl von Jahren einfügen***]**-Jahres Constant Maturity Swap Satz angezeigt werden, so wird die Berechnungsstelle die Referenzbanken bitten, ihre **[***relevante Anzahl von Jahren einfügen***]**-Jahres-CMS-Sätze ungefähr zur Referenzsatzzeit am jeweiligen Zinsfestlegungstag bereitzustellen.

Falls **[***Anzahl* einfügen**]** Referenzbanken der Berechnungsstelle solche Angebote zur Verfügung stellen, ist der Referenzsatz für die betreffende Zinsperiode das arithmetische Mittel dieser Angebotssätze (falls erforderlich, gerundet auf den nächsten einhunderttausendstel Prozentpunkt, wobei 0,000005 aufgerundet wird), wobei das höchste (oder, bei mehreren höchsten, eines davon) und das niedrigste (oder, bei mehreren niedrigsten, eines davon) Angebot gestrichen werden.

Referenzsatzzeit ist **[***Referenzsatzzeit einfügen***]**.

Referenzbanken sind fünf führende Swaphändler im Interbanken-Markt, die von der Emittentin nach billigem Ermessen bestimmt werden (§ 315 BGB).

Zinsfeststellungstag ist der **[**zweite**]** [erste] [letzte] **[***andere Anzahl einfügen***]** **[**TARGET2**]** **[**London**]** **[***anderes Finanzzentrum einfügen***]** Bankarbeitstag [vor dem] **[**Beginn**]****[**Ende**]** der jeweiligen Zinsperiode.

[*Im Fall von TARGET2 Bankarbeitstag einfügen:* **TARGET2 Bankarbeitstag** ist ein Tag (außer einem Samstag oder Sonntag), an dem TARGET2 betriebsbereit ist.**]**

[*Im Fall von nicht-TARGET2 Bankarbeitstagen:* **[***Finanzzentrum einfügen***]** **Bankarbeitstag** bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in **[***Finanzzentrum einfügen***]** für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.**]**.

[*Falls TARGET2 anwendbar ist, einfügen:* **TARGET2** ist das Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2).**]**

Wenn (i) die Emittentin oder die Berechnungsstelle den Referenzsatz nicht mehr verwenden darf, (ii) der Administrator des Referenzsatzes die Berechnung und Veröffentlichung des Referenzsatzes dauerhaft oder für eine unbestimmte Zeit einstellt, (iii) der Administrator des Referenzsatzes zahlungsunfähig wird oder ein Insolvenz-, Konkurs-, Restrukturierungs- oder ähnliches Verfahren (den Administrator betreffend) durch den Administrator oder durch die Aufsichts- oder Kontrollbehörden eingeleitet wurde, oder (iv) der Referenzsatz anderweitig eingestellt ist (jeweils ein **Einstellungsereignis**), soll der Referenzsatz durch einen von der Emittentin festgelegten Zinssatz durch Anwendung der Schritte (I) bis (IV) (in dieser Reihenfolge) folgendermaßen ersetzt werden (**Nachfolge-Referenzsatz**):

(i) Der Referenzsatz soll durch den Referenzsatz ersetzt werden, der durch den Administrator des Referenzsatzes, die zuständige Zentralbank oder eine Kontroll- oder Aufsichtsbehörde als Nachfolge- Referenzsatz für den Referenzsatz und für die Dauer des Referenzsatzes bekannt gegeben wird und der in Übereinstimmung mit geltendem Recht genutzt werden darf; oder (wenn ein solcher Nachfolge- Referenzsatz nicht festgelegt werden kann);

(ii) der Referenzsatz soll durch einen alternativen Referenzsatz ersetzt werden, der üblicherweise (in Übereinstimmung mit geltendem Recht) als Referenzsatz für Schuldverschreibungen in der jeweiligen Währung mit vergleichbarer Laufzeit verwendet wird oder verwendet werden wird; oder (falls ein solcher alternativer Referenzsatz nicht bestimmt werden kann);

(iii) der Referenzsatz soll durch einen Zinssatz ersetzt werden, der üblicherweise (in Übereinstimmung mit geltendem Recht) als Referenzsatz (x) für Zinsswaps (fest-zu-variabel verzinslich) in der relevanten Währung, oder (y) für börsengehandelte Zinsfutures mit vergleichbarer Laufzeit verwendet wird; oder (falls ein solcher alternativer Referenzsatz nicht bestimmt werden kann)

(iv) der Referenzsatz soll durch einen Zinssatz ersetzt werden, der von der Emittentin (die, für die Zwecke einer solchen Festlegung das Recht (aber nicht die Verpflichtung) hat, die Meinung eines renommierten, unabhängigen Finanzberaters oder einer Finanzinstitution, die mit den zu diesem Zeitpunkt erforderlichen Berechnungsarten Erfahrung hat, einzuholen und auf diese zu vertrauen) nach billigem Ermessen unter Berücksichtigung der Dauer des Referenzsatzes und der jeweiligen Währung in wirtschaftlich vertretbarer Weise, basierend auf dem allgemeinen Marktzinsniveau zum relevanten Zeitpunkt in der Bundesrepublik Deutschland festgelegt wird.

Die Emittentin legt zudem fest, welche Bildschirmseite oder andere Quelle in Verbindung mit einem solchen Nachfolge- Referenzsatz verwendet werden soll (die **Nachfolge-Bildschirmseite**). Ab dem Zeitpunkt der Bestimmung des Nachfolge- Referenzsatzes (der **maßgebliche Zeitpunkt**) gilt jede Bezugnahme auf den Referenzsatz als Bezugnahme auf den Nachfolge- Referenzsatz und jede Bezugnahme auf die Bildschirmseite bezieht sich vom maßgeblichen Zeitpunkt an als Bezugnahme auf die Nachfolge-Bildschirmseite, und die Bestimmungen dieses Absatzes gelten entsprechend. Die Emittentin informiert anschließend die Schuldverschreibungsgläubiger gemäß § 8.

Zusätzlich zu einer Ersetzung des Referenzsatzes durch einen Nachfolge-Referenzsatz kann die Emittentin einen Zinsanpassungsfaktor oder Bruch oder Spanne festlegen, der oder die bei der Ermittlung des Zinssatzes und bei der Berechnung des Zinsbetrags angewendet werden soll, mit dem Ziel ein Ergebnis zu erzielen, das mit dem wirtschaftlichen Gehalt der Schuldverschreibungen vor Eintritt des Einstellungsereignisses vereinbar ist und das sich nicht zum wirtschaftlichen Nachteil der Inhaber auswirkt.

Wenn ein Einstellungsereignis eintritt und der Referenzsatz nicht wie oben beschrieben gemäß der Punkte (I) bis (IV) durch die Emittentin ersetzt werden kann, kann die Emittentin die Schuldverschreibungen ganz **[**oder teilweise**]** zurückzahlen. Die Schuldverschreibungen werden entsprechend der Vorschriften des § 4 zum Nennbetrag zurückgezahlt, zusammen mit etwaigen bis zum Rückzahlungstag aufgelaufenen Zinsen. Die Emittentin wird den Schuldverschreibungsgläubigern gemäß § 8 eine solche Kündigung mitteilen.

Sofern sich die Emittentin für die Rückzahlung der Schuldverschreibungen entscheidet, gilt als Zinssatz ab dem ersten Zinszahltag nach dem Einstellungsereignis bis zum Rückzahlungstag **[**der für die unmittelbar vorausgehende Zinsperiode geltende Zinssatz**][**der Angebotssatz oder das arithmetische Mittel der Angebotssätze auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Zinsfeststellungstag, an dem diese Angebotssätze angezeigt wurden **[Im Fall eines Faktors einfügen:**, multipliziert mit **[Faktor]] [im Fall einer Marge einfügen**: **[**zuzüglich**] [**abzüglich**]** der

Marge (wobei jedoch, falls für die relevante Zinsperiode eine andere Marge als für die unmittelbar vorhergehende Zinsperiode gilt, die relevante Marge an die Stelle der Marge für die vorhergehende Zinsperiode tritt)**]**. **[Im Falle einer Marge, die zuzüglich des Referenzsatzes gezahlt wird, einfügen:** Nimmt der ermittelte Angebotssatz einen negativen Wert an, wird er gegen die Marge verrechnet, so dass er die Marge verringert.**]** Der Zinssatz beträgt stets mindestens 0 (Null)**] [●]**. Sofern sich die Emittentin nicht für die Rückzahlung der Schuldverschreibungen entscheidet, findet derselbe Zinssatz ab dem ersten Zinszahltag nach dem Einstellungsereignis Anwendung.**]**

[*Im Fall von ISDA Determination einfügen:*

(3) Der Zinssatz (der **Zinssatz**)

[*Im Fall von fest zu variabel verzinslichen Schuldverschreibungen einfügen:*

ist während des Festzinszeitraums für jede Zinsperiode in dem Festzinszeitraum **[***Festzinssatz in % pro Jahr einfügen***]**.

[*Im Fall eines ersten kurzen/langen Kupons, einfügen***:**, wobei sich der Zinsbetrag für die erste Zinsperiode auf [**[***Bruchteilszinsbetrag einfügen***]** je festgelegte Stückelung beläuft**]** [**[***Bruchteilszinsbetrag einfügen***]** bezogen auf den Gesamtnennbetrag beläuft**]**.]

Der Zinssatz während des Variablen Zinszeitraums ist für jede in den Variablen Zinszeitraum fallende Zinsperiode, soweit nicht nachstehend anders angegeben,**]**

[*Im Fall von anderen als fest zu variabel verzinslichen Schuldverschreibungen einfügen:*

für jede Zinsperiode ist, soweit nicht nachstehend anders beschrieben**]**

der maßgebliche ISDA-Satz **[***Im Falle eines Faktor einfügen:* multipliziert mit **[***Faktor einfügen***]]**, **[***Im Falle einer Marge einfügen:* **[**zuzüglich**] [**abzüglich**]** der Marge**]**.

[Die **Marge** beträgt **[**Prozentsatz einfügen in % pro Jahr**]**.**]**

ISDA-Satz bezeichnet für eine Zinsperiode einen Satz, der dem variablen Zinssatz entspricht, der vom Calculation Agent im Rahmen einer Zinsswap-Transaktion bestimmt werden würde, wenn der Calculation Agent für diese Swap-Transaktion als Berechnungsstelle handeln würde, und zwar gemäß den Bestimmungen einer Vereinbarung, die die ISDA Interest Rate and Currency Derivative Definitions von 2006 in der zum Ausgabetag geltenden**,** aktualisierten und von der International Swaps and Derivatives Association, Inc. auf deren Website unter www.isda.org (oder einer Nachfolgewebsite) veröffentlichten Fassung (die **ISDA Definitionen**) zum Vertragsbestandteil erklärt, und gemäß der:

(a) die Variable Zinssatz-Option entspricht **[***Variable Zinssatz-Option einfügen***]**,

(b) die bezeichnete Laufzeit eine Periode **[***Periode von/bis einfügen***]** ist, und

(c) das relevante Reset-Datum **[***Wenn die anwendbare Variable Zinssatz-Option auf dem Euro-Zone Interbanken Angebotssatz ("Euribor") oder dem Prager Interbanken Angebotssatz ("Pribor") für eine Währung basiert: der erste Tag dieser Zinsperiode ist***] [***Wenn die maßgebliche Variable Zinssatz-Option für eine Währung nicht auf dem Euribor dem Pribor beruht, einfügen: [***maßgebliches Datum einfügen***]]**.

Für die Zwecke dieses Unterabsatzes (2) haben (i) **Variabler Zinssatz** (*Floating Rate*), **Berechnungsstelle** (*Calculation Agent*), **Variable Zinssatz-Option** (*Floating Rate Option*), **Bezeichnete Laufzeit** (*Designated Maturity*) und **Reset-Datum** (*Reset Date*) dieselbe Bedeutung, die diesen Begriffen in den ISDA Definitionen beigemessen wird, und (ii) bezeichnet **Euro-Zone** die Staaten und Gebiete, die im Anhang der Verordnung (EG) Nr. 974/98 des Rates vom 3. Mai 1998 über die Einführung des Euro, in ihrer jeweils aktuellen Fassung, aufgeführt sind.**]**

[Im Fall eines Mindest- und/oder Höchstzinssatzes einfügen: (3)

[*Im Fall eines Mindestzinssatzes einfügen:*]

[Wenn der für eine Zinsperiode in Übereinstimmung mit den obigen Bestimmungen ermittelte Zinssatz niedriger ist als **[***Mindestzinssatz einfügen***]**, so ist der Zinssatz für diese Zinsperiode **[***Mindestzinssatz einfügen***].]**

[*Im Fall eines Höchstzinssatzes einfügen:*]

[Wenn der für eine Zinsperiode in Übereinstimmung mit den obigen Bestimmungen ermittelte Zinssatz höher ist als **[***Höchstzinssatz einfügen***]**, so ist der Zinssatz für diese Zinsperiode **[***Höchstzinssatz einfügen***].]]**

[(3)**][**(4)**]** Der Zinsbetrag (der **Zinsbetrag**) wird von der Berechnungsstelle berechnet, indem das Produkt aus Zinssatz und Zinstagequotient mit [der Festgelegten Stückelung] [dem Gesamtnennbetrag] multipliziert wird.

[*Im Fall eines auf die Schuldverschreibungen anzuwendenden Verlängerten Fälligkeitstags einfügen:*

[(4)**][**(5)**]** Kommt es im Einklang mit § 3 Abs. [3][4][5] zu einer Verlängerung der Fälligkeit der Schuldverschreibungen über den Fälligkeitstag hinaus, so werden die Schuldverschreibungen ab dem Fälligkeitstag (einschließlich) bis zum relevanten, auf den Fälligkeitstag folgenden Zinszahltag, an dem die Schuldverschreibungen vollständig zurückgezahlt wurden, oder bis zum Verlängerten Fälligkeitstag verzinst, und zwar jeweils ausschließlich und je nachdem, welcher dieser beiden Tage eher eintritt, mit der Maßgabe von § 2 Abs. 1. In einem solchen Fall sind für diese Schuldverschreibungen Zinsen zu einem Satz zu zahlen, der sich nach § 2 [(5)][(6)] bemisst; diese Zinsen laufen rückwirkend am Zinszahltag in jedem Monat nach dem Fälligkeitstag auf den ausstehenden Kapitalbetrag der Schuldverschreibungen auf, und zwar bezüglich der Zinsperiode, die unmittelbar vor dem relevanten Zinszahltag endet. Der letzte Zinszahltag fällt spätestens auf den Verlängerten Fälligkeitstag.

[(5)**][**(6)**]** Wird die Fälligkeit der Schuldverschreibungen im Einklang mit § 3 Abs. [3][4][5] über den Fälligkeitstag hinaus verlängert, so beträgt der Zinssatz für die Zinsen, die von Zeit zu Zeit bezüglich des ausstehenden Kapitalbetrags der Schuldverschreibungen am jeweiligen Zinszahltag nach dem Fälligkeitstag für die Zinsperiode zu zahlen sind, die unmittelbar vor dem jeweiligen Zinszahltag endet, [*Prozentsatz einfügen*] und wird, falls anwendbar, von der Hauptzahlstelle zwei Bankarbeitstage nach dem Fälligkeitstag bezüglich der ersten solchen Zinsperiode bestimmt und danach [*Zinszahltag(e) einfügen*] [eines jeden Monats / anderes angeben] bis zum Verlängerten Fälligkeitstag (einschließlich).

[(6)**][**(7)**]** § 2 **[**(4)**][**(5)**]** bis § 2 **[**(6)**][**(7)] finden nur Anwendung, falls die Emittentin es versäumt, die Schuldverschreibungen zum Fälligkeitstag (bzw. innerhalb von zwei Bankarbeitstagen nach dem Fälligkeitstag) (vollständig) zurückzuzahlen, woraufhin die Fälligkeit dieser Schuldverschreibungen automatisch im Einklang mit § 3 Abs. [3][4][5] bis zum Verlängerten Fälligkeitstag verlängert wird.**]**

[(7)**][**(8)**]** Die Berechnungsstelle wird veranlassen, dass der Zinssatz, jeder Zinsbetrag für die jeweilige Zinsperiode, jede Zinsperiode und der entsprechende Zinszahltag der Emittentin, der Hauptzahlstelle und jeder Börse, an der die Schuldverschreibungen zu diesem Zeitpunkt zugelassen sind oder gehandelt werden und deren Regeln eine Mitteilung an diese Börse verlangen, baldmöglichst nach ihrer Feststellung aber keinesfalls später als am **[**vierten**][***Anzahl Tage einfügen***]** auf die Berechnung folgenden Bankarbeitstag mitgeteilt werden. Im Fall einer Verlängerung oder Verkürzung der Zinsperiode können nach billigem Ermessen (§ 315 BGB) der Berechnungsstelle der mitgeteilte Zinsbetrag und Zinszahltag nachträglich angepasst (oder andere geeignete Anpassungsregelungen getroffen) werden. Jede solche Anpassung wird umgehend allen Börsen, an denen die Schuldverschreibungen zu diesem Zeitpunkt zugelassen sind oder gehandelt werden, sowie den Schuldverschreibungsgläubigern gemäß § 8 mitgeteilt.

Bankarbeitstag bezeichnet einen Tag (außer Samstag oder Sonntag), an dem das Clearingsystem **[***Wenn die Festgelegte Währung Euro ist oder wenn TARGET2 aus anderen Gründen benötigt wird, einfügen:* und TARGET2 für Geschäfte geöffnet **[**ist**] [**sind**] [***Wenn die Festgelegte Währung nicht Euro ist, einfügen:* und Geschäftsbanken und Devisenmärkte Zahlungen in **[***alle maßgeblichen Finanzzentren einfügen***]** abwickeln.

[(8)][(9)] Zinstagequotient ist

[*Im Fall von Actual / Actual (ICMA) einfügen:*

bei der Berechnung des auf eine Schuldverschreibung entfallenden Zinsbetrags für jeglichen Zeitraum **[***Im Fall von fest zu variabel verzinslichen Schuldverschreibungen einfügen:* innerhalb des **[**Festzinszeitraums**] [**und des**] [**Variablen Zinszeitraums**]]** (der **Berechnungszeitraum**):

[*Im Fall eines Berechnungszeitraums, der gleich oder kürzer ist als die Zinsperiode, in die der Berechnungszeitraum fällt, einfügen:*

die Anzahl der Tage in dem Berechnungszeitraum, geteilt durch das Produkt aus (1) der Anzahl der Tage in der Zinsperiode, in die der Berechnungszeitraum fällt und (2) der Anzahl von Zinsperioden, die normalerweise in einem Jahr enden.**]**

[*Im Fall eines Berechnungszeitraums, der länger ist als eine Zinsperiode einfügen:*]

die Summe:

(a) der Anzahl von Tagen in dem Berechnungszeitraum, die in die Zinsperiode fallen, in welcher der Berechnungszeitraum beginnt, geteilt durch das Produkt aus (1) der Anzahl der Tage in dieser Zinsperiode und (2) der Anzahl von Zinsperioden in einem Jahr; und

(b) der Anzahl von Tagen in dem Berechnungszeitraum, die in die darauffolgende Zinsperiode fallen, geteilt durch das Produkt aus (1) der Anzahl der Tage in dieser Zinsperiode und (2) der Anzahl von Zinsperioden in einem Jahr.**]**

[*Im Fall eines kurzen ersten oder letzten Berechnungszeitraumes einfügen:*

Für die Zwecke der Feststellung der jeweiligen Zinsperiode soll der **[***Fiktiven Zinszahltag einfügen***]** als ein Zinszahltag angesehen werden.**]**

[*Im Fall eines langen ersten oder letzten Berechnungszeitraumes einfügen:*

Für die Zwecke der Feststellung der jeweiligen Zinsperiode soll der **[***Fiktiven Zinszahltag einfügen***]** jeweils als ein Zinszahltag angesehen werden**].]**

[*Im Fall von Actual / Actual (ISDA) einfügen:*

in Bezug auf die Berechnung eines Zinsbetrages auf eine Schuldverschreibung für jeden Zeitraum **[***Im Fall von fest zu variabel verzinslichen Schuldverschreibungen einfügen:* innerhalb des **[**Festzinszeitraums**] [**und des**] [**Variablen Zinszeitraums**]]** (den **Berechnungszeitraum**):

die tatsächliche Anzahl von Tagen im Berechnungszeitraum dividiert durch 365 (oder, falls ein Teil dieses Berechnungszeitraums in ein Schaltjahr fällt, die Summe aus (A) der tatsächlichen Anzahl der in

das Schaltjahr fallenden Tage des Berechnungszeitraums, dividiert durch 366, und (B) die tatsächliche Anzahl der nicht in das Schaltjahr fallenden Tage des Berechnungszeitraums, dividiert durch 365).**]**

[*Im Fall von Actual / 365 (Fixed) einfügen:*

in Bezug auf die Berechnung eines Zinsbetrages auf eine Schuldverschreibung für jeden Zeitraum **[***Im Fall von fest zu variabel verzinslichen Schuldverschreibungen einfügen:* innerhalb des **[**Festzinszeitraums**] [**und des**] [**Variablen Zinszeitraums**]]** (den **Berechnungszeitraum**):

die tatsächliche Anzahl der Tage im Berechnungszeitraum dividiert durch 365.**]**

[*Im Fall von Actual/360 einfügen:*

in Bezug auf die Berechnung eines Zinsbetrages auf eine Schuldverschreibung für jeden Zeitraum **[***Im Fall von fest zu variabel verzinslichen Schuldverschreibungen einfügen:* innerhalb des **[**Festzinszeitraums**] [**und des**] [**Variablen Zinszeitraums**]]** (den **Berechnungszeitraum**):

die tatsächliche Anzahl der Tage im Berechnungszeitraum dividiert durch 360.**]**

[*Im Fall von 30/360, 360/360 oder Bond Basis gemäß ISDA 2000 einfügen:*

in Bezug auf die Berechnung eines Zinsbetrages auf eine Schuldverschreibung für jeden Zeitraum **[***Im Fall von fest zu variabel verzinslichen Schuldverschreibungen einfügen:* innerhalb des **[**Festzinszeitraums**] [**und des**] [**Variablen Zinszeitraums**]]** (den **Berechnungszeitraum**):

die Anzahl der Tage im Berechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres mit 360 Tagen und mit 12 Monaten mit jeweils 30 Tagen berechnet wird. (es sei denn, (A) der letzte Tag des Berechnungszeitraums ist der 31. Tag eines Monats und der erste Tag des Berechnungszeitraums ist weder der 30. noch der 31. eines Monats, in welchem Fall der diesen Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Berechnungszeitraums ist der letzte Tag des Monats Februar, in welchem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist).**]**

[*Im Fall von 30/360, 360/360 oder Bond Basis gemäße ISDA 2006 einfügen:*

in Bezug auf die Berechnung eines Zinsbetrages auf eine Schuldverschreibung für jeden Zeitraum **[***Im Fall von fest zu variabel verzinslichen Schuldverschreibungen einfügen:* innerhalb des **[**Festzinszeitraums**] [**und des**] [**Variablen Zinszeitraums**]]** (den **Berechnungszeitraum**):

die Anzahl der Tage im Berechnungszeitraum dividiert durch 360, berechnet gemäß der nachfolgenden Formel:

$$\text{Zinstagequotient} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Wobei:

Y_1 ist das Jahr, ausgedrückt als Zahl, in das der erste Tag des Berechnungszeitraums fällt;

Y_2 ist das Jahr, ausgedrückt als Zahl, in das der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

M_1 ist der Kalendermonat, ausgedrückt als Zahl, in den der erste Tag des Berechnungszeitraums fällt;

M_2 ist der Kalendermonat, ausgedrückt als Zahl, in den der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

D_1 ist der erste Kalendertag des Berechnungszeitraums, ausgedrückt als Zahl, es sei denn, diese Zahl wäre 31, in welchem Fall D_1 gleich 30 ist; und

D_2 ist der Kalendertag, ausgedrückt als Zahl, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt, es sei denn, diese Zahl wäre 31 und D_1 ist größer als 29, in welchem Fall D_2 gleich 30 ist.**]]**

[*Im Fall von 30E/360 oder Eurobond Basis gemäß ISDA 2000 (deutsche Zinsmethode) einfügen:*

die Anzahl der Tage im Berechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres mit 360 Tagen und mit 12 Monaten mit jeweils 30 Tagen berechnet wird, und zwar ohne Berücksichtigung des ersten oder letzten Tages des Berechnungszeitraums (es sei denn, der letzte Tag des Berechnungszeitraums, der am Fälligkeitstag endet, ist der letzte Tag im Monat Februar, in welchem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist.**]**

[*Im Fall von 30E/360 oder Eurobond Basis gemäß ISDA 2006 einfügen:*

in Bezug auf die Berechnung eines Zinsbetrages auf eine Schuldverschreibung für jeden Zeitraum **[***Im Fall von fest zu variabel verzinslichen Schuldverschreibungen einfügen:* innerhalb des **[**Festzinszeitraums**] [**und des**] [**Variablen Zinszeitraums**]]** (den **Berechnungszeitraum**):

die Anzahl der Tage im Berechnungszeitraum dividiert durch 360, berechnet gemäß der nachfolgenden Formel:

$$\text{Zinstagequotient} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Wobei:

Y_1 ist das Jahr, ausgedrückt als Zahl, in das der erste Tag des Berechnungszeitraums fällt;

Y_2 ist das Jahr, ausgedrückt als Zahl, in das der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

M_1 ist der Kalendermonat, ausgedrückt als Zahl, in den der erste Tag des Berechnungszeitraums fällt;

M_2 ist der Kalendermonat, ausgedrückt als Zahl, in den der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

D_1 ist der erste Kalendertag des Berechnungszeitraums, ausgedrückt als Zahl, es sei denn, diese Zahl wäre 31, in welchem Fall D_1 gleich 30 ist; und

D_2 ist der Kalendertag, ausgedrückt als Zahl, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt, es sei denn, diese Zahl wäre 31, in welchem Fall D_2 gleich 30 ist.**]]**

[*Im Fall von 30E/360 (ISDA) (nur, wenn ISDA 2006 Definitionen anwendbar sein sollen (deutsche Zinsmethode)) einfügen:*

in Bezug auf die Berechnung eines Zinsbetrages auf eine Schuldverschreibung für jeden Zeitraum **[***Im Fall von fest zu variabel verzinslichen Schuldverschreibungen einfügen:* innerhalb des **[**Festzinszeitraums**] [**und des**] [**Variablen Zinszeitraums**]]** (den **Berechnungszeitraum**):

die Anzahl der Tage im Berechnungszeitraum dividiert durch 360, berechnet gemäß der nachfolgenden Formel:

$$\text{Zinstagequotient} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Wobei:

Y_1 ist das Jahr, ausgedrückt als Zahl, in das der erste Tag des Berechnungszeitraums fällt;

Y_2 ist das Jahr, ausgedrückt als Zahl, in das der der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

M_1 ist der Kalendermonat, ausgedrückt als Zahl, in den der erste Tag des Berechnungszeitraums fällt;

M_2 ist der Kalendermonat, ausgedrückt als Zahl, in den der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

D_1 ist der erste Kalendertag des Berechnungszeitraums, ausgedrückt als Zahl, es sei denn, (i) dieser Tag ist der letzte Tag des Februars, oder (ii) diese Zahl wäre 31, in welchem Fall D_1 gleich 30 ist; und

D_2 ist der Kalendertag, ausgedrückt als Zahl, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt, es sei denn, (i) dieser Tag ist der letzte Tag des Februars, jedoch nicht der Fälligkeitstag, oder (ii) diese Zahl wäre 31, in welchem Fall D_2 gleich 30 ist,

jedoch in jedem solchen Fall unter dem Vorbehalt, dass die Anzahl der Tage des Berechnungszeitraumes vom ersten Tag des Berechnungszeitraumes (einschließlich) bis zum letzten Tag des Berechnungszeitraumes (ausschließlich) berechnet wird.**]**

§ 3

(Fälligkeit, Rückzahlungsbetrag [, Rückzahlung aus steuerlichen Gründen, Rückzahlung aufgrund einer Gesetzwidrigkeit oder Ungültigkeit, Optionale Rückzahlung nach Wahl der Emittentin (Call Option), Verlängerter Fälligkeitstag)]

[(1)] Die Schuldverschreibungen werden am **[**Falls ein Fälligkeitstag angegeben ist, einfügen: **[**Fälligkeitstag einfügen]**]** **[**Falls ein Fälligkeitsmonat angegeben ist, einfügen: der Zinszahltag, der im **[**Monat einfügen**]** **[**Jahr einfügen**]** liegt] (der **Fälligkeitstag**) in Höhe der **[**Festgelegten Stückelung**]** **[**des Gesamtnennbetrags**]** (der **Rückzahlungsbetrag**) zur Rückzahlung fällig [falls ein Verlängerter Fälligkeitstag anwendbar ist, einfügen:, vorbehaltlich einer Verlängerung der Fälligkeit der Schuldverschreibungen bis zum [Verlängerten Fälligkeitstag einfügen] (der **Verlängerte Fälligkeitstag**) gemäß der Regelung in § 3 Abs. [3][4][5].

[*Bei Rückzahlung aus steuerlichen Gründen einfügen:*

(2) Die Schuldverschreibungen können nach Wahl der Emittentin zu einem beliebigen Zinszahltag (insgesamt, jedoch nicht teilweise), nach vorheriger (unwiderruflicher) Mitteilung an die Hauptzahlstelle und gemäß § 10 an die Schuldverschreibungsgläubiger mindestens [*Mindestanzahl von Tagen einfügen*] Tage und höchstens [*maximale Anzahl von Tagen einfügen*] Tage im Voraus, zurückgezahlt werden, falls:

(a) die Emittentin anlässlich der nächsten gemäß der Schuldverschreibungen fälligen Zahlung verpflichtet geworden ist bzw. verpflichtet sein wird, zusätzliche Beträge gemäß § 6 zu zahlen, und zwar infolge einer Änderung oder Neufassung von Gesetzen oder Verordnungen innerhalb einer Steuerjurisdiktion (wie in § 6 definiert) oder einer Änderung bezüglich der Anwendung oder offiziellen Auslegung solcher Gesetze oder Verordnungen, wobei die Änderung bzw. Neufassung am oder nach dem Datum wirksam wird, zu dem eine Vereinbarung über die Ausgabe der ersten Tranche der Schuldverschreibungen getroffen wird; und

(b) eine solche Verpflichtung nicht dadurch vermieden werden kann, dass die Emittentin die ihr zur Verfügung stehenden angemessenen Maßnahmen ergreift,

mit der Maßgabe, dass diese Ankündigung der Rückzahlung nicht früher als 90 Tage vor dem frühesten Datum erfolgen darf, an dem die Emittentin verpflichtet wäre, solche zusätzlichen Beträge zu zahlen, falls eine Zahlung bezüglich der Schuldverschreibungen dann fällig wäre.

Bevor die Emittentin die Rückzahlung gemäß diesem § 3 Abs. 2 ankündigt, wird sie der Hauptzahlstelle (zwecks Bereitstellung zur Einsichtnahme durch die Schuldverschreibungsgläubiger an der von ihr benannten Geschäftsadresse) (i) eine von zwei Zeichnungsberechtigten der Emittentin unterschriebene Bescheinigung zustellen, wonach die Emittentin zur Veranlassung der Rückzahlung berechtigt ist, unter Nennung der Umstände, die belegen, dass die aufschiebenden Bedingungen für das Recht der Emittentin zur Rückzahlung erfüllt sind, sowie (ii) ein Gutachten von unabhängigen, anerkannten Rechtsberatern zustellen, wonach die Emittentin verpflichtet ist bzw. sein wird, die zusätzlichen Beträge infolge der

betreffenden Änderung oder Neufassung zu zahlen, woraufhin diese Rückzahlung für die Schuldverschreibungsgläubiger abschließende und verbindliche Wirkung entfaltet. Die Hauptzahlstelle ist nicht dafür verantwortlich und kann nicht dafür haftbar gemacht werden, die Bereitstellung der gemäß diesem § 3 Abs. 2 erforderlichen Bescheinigungen und Gutachten zu überwachen oder sicherzustellen; auch ist die Hauptzahlstelle nicht verpflichtet, bereitgestellte Bescheinigungen oder Gutachten zu überprüfen, zu kontrollieren oder zu analysieren, übernimmt keine Verantwortung für den Inhalt dieser Bescheinigungen und Gutachten und haftet nicht, falls der Inhalt der Bescheinigungen oder Gutachten ungenau oder falsch ist. Gemäß diesem § 3 Abs. 2 zurückzuzahlende Schuldverschreibungen werden zum Rückzahlungsbetrag zurückbezahlt, zusammen (falls anwendbar) mit den bis zum Fälligkeitstag (ausschließlich) aufgelaufenen Zinsen.]

[(2)][(3)] Die Schuldverschreibungen können nach Wahl der Emittentin zu jedem beliebigen Zinszahltag (insgesamt, jedoch nicht teilweise), nach vorheriger (unwiderruflicher) Mitteilung an die Hauptzahlstelle und gemäß § 10 an die Schuldverschreibungsgläubiger mindestens [*Mindestanzahl von Tagen einfügen*] Tage und höchstens [*maximale Anzahl von Tagen einfügen*] Tage im Voraus zurückgezahlt werden, falls es für die Emittentin vor dem nächsten Zinszahltag irgendeiner Schuldverschreibung gesetzwidrig geworden ist oder gesetzwidrig wird, weiterhin Schuldverschreibungen ausstehen zu lassen, und zwar infolge einer Änderung oder Neufassung von Gesetzen oder Verordnungen oder einer Änderung bezüglich der Anwendung oder offiziellen Auslegung solcher Gesetze oder Verordnungen, wobei die Änderung bzw. Neufassung vor dem nächsten derartigen Zinszahltag wirksam geworden ist oder wird.

Bevor die Emittentin die Rückzahlung gemäß diesem § 3 Abs. [2][3] ankündigt, wird sie der Hauptzahlstelle (zwecks Bereitstellung zur Einsichtnahme durch die Schuldverschreibungsgläubiger an der von ihr benannten Geschäftsadresse) eine von zwei Zeichnungsberechtigten der Emittentin unterschriebene Bescheinigung zustellen, wonach die Emittentin zur Veranlassung der Rückzahlung berechtigt ist, unter Nennung der Umstände, die belegen, dass die aufschiebenden Bedingungen für das Recht der Emittentin zur Rückzahlung erfüllt sind. Die Hauptzahlstelle ist nicht dafür verantwortlich und kann nicht dafür haftbar gemacht werden, die Bereitstellung der gemäß diesem § 3 Abs. [2][3] erforderlichen Bescheinigungen zu überwachen oder sicherzustellen; auch ist die Hauptzahlstelle nicht verpflichtet, bereitgestellte Bescheinigungen zu überprüfen, zu kontrollieren oder zu analysieren, übernimmt keine Verantwortung für den Inhalt dieser Bescheinigungen und haftet nicht, falls der Inhalt der Bescheinigungen ungenau oder falsch ist. Gemäß diesem § 3 Abs. [2][3] zurückzuzahlende Schuldverschreibungen werden zum Rückzahlungsbetrag zurückgezahlt, zusammen (falls anwendbar) mit den bis zum Fälligkeitstag (ausschließlich) aufgelaufenen Zinsen.

[*Im Fall einer optionalen Rückzahlung nach Wahl der Emittentin (Call-Option) einfügen*:

[(3)][(4)] Die Emittentin kann am **[***Kündigungstermin***[***e***]** *einfügen* **][**eines jeden Jahres beginnend am **[***Datum einfügen***]]** (**[**der**][**jedes dieser Daten ein**]** **Kündigungstermin**) die Schuldverschreibungen vollständig **[**oder teilweise**]** zurückzahlen. Die Emittentin wird mindestens **[***Zahl einsetzen (mindestens 5 Bankarbeitstage)***][**Bankarbeitstage (wie nachstehend in § 4**[**(2)**][**(3)**]** definiert)**][**Monate**]** vor dem **[**betreffenden**]** Kündigungstermin eine solche Rückzahlung gemäß § 8 mitteilen. Diese Mitteilung ist unwiderruflich und gibt den **[**betreffenden**]** Kündigungstermin an. Die Schuldverschreibungen werden zum **[**betreffenden**]** Kündigungstermin zum Optionalen Rückzahlungsbetrag einschließlich aller Zinsen, die bis zum Kündigungstermin anfallen, gemäß den Vorschriften des § 4 zurückgezahlt.

Der Optionale Rückzahlungsbetrag (der **Optionale Rückzahlungsbetrag**) [je Schuldverschreibung] [der Schuldverschreibungen] ist **[**seine Festgelegte Stückelung**] [**ihr Gesamtnennbetrag] **[**wie folgt:

[Kündigungstermin(e)	Optionale(r) Rückzahlungsbetrag(-beträge)
[*Kündigungstermin(e) einfügen***]**	**[***Optionale(r) Rückzahlungsbetrag(-beträge) einfügen, der/die nicht unterhalb des Nennwerts/Emissionspreises liegt/liegen***]]**

[*Im Fall eines auf die Schuldverschreibungen anzuwendenden Verlängerten Fälligkeitstags einfügen:*

[(3)][(4)][(5)] Falls die Emittentin es versäumt, alle diese Schuldverschreibungen vollständig zum Fälligkeitstag (oder innerhalb von zwei Bankarbeitstagen nach dem Fälligkeitstag) zurückzuzahlen, wird

die Fälligkeit der Schuldverschreibungen und wird das Datum, zu dem diese Schuldverschreibungen für die Zwecke dieser Schuldverschreibungsbedingungen zur Rückzahlung anstehen. automatisch bis zum Verlängerten Fälligkeitstag (einschließlich) verlängert. In einem solchen Fall ist die Emittentin berechtigt, den ausstehenden Kapitalbetrag der Schuldverschreibungen zu einem Zinszahltag zurückzuzahlen, der in einen beliebigen Monat nach dem Fälligkeitstag fällt, und zwar bis zum Verlängerten Fälligkeitstag (einschließlich).

[(4)][(5)][(6)] Die Emittentin hat den Schuldverschreibungsgläubigern (im Einklang mit § 10) und der Hauptzahlstelle mindestens fünf Bankarbeitstage vor dem Fälligkeitstag oder dem jeweiligen Zinszahltag mitzuteilen, ob sie beabsichtigt, den ausstehenden Kapitalbetrag der Schuldverschreibungen ganz oder teilweise vollständig zurückzuzahlen. Unterlässt es die Emittentin, die jeweilige Person solcherart zu verständigen, so hat dies keine Auswirkungen auf die Gültigkeit und Wirksamkeit der etwaigen Verlängerung der Fälligkeit der Schuldverschreibungen bis zum Verlängerten Fälligkeitstag. Die Hauptzahlstelle wird das Clearingsystem von der Mitteilung seitens der Emittentin (falls zutreffend) unverzüglich nach Erhalt (und jedenfalls innerhalb von mindestens drei Bankarbeitstagen vor dem Fälligkeitstag der Schuldverschreibungen) verständigen. Zur Klarstellung: Falls die Hauptzahlstelle keine Mitteilung von der Emittentin gemäß diesem § 3 Abs. [4][5][6] erhalten hat, soll sich die Hauptzahlstelle darum bemühen, das Clearingsystem von dem Umstand zu informieren, dass die betreffenden Schuldverschreibungen nicht zum Fälligkeitstag bzw. dem jeweiligen Zinszahltag zurückgezahlt werden.

[(5)][(6)][(7)] Eine einmal erfolgte Verlängerung der Fälligkeit der Schuldverschreibungen gemäß § 3 Abs. [3][4][5] ist unwiderruflich. Soweit § 3 Abs. [3][4][5] anwendbar ist, stellt ein Versäumnis der Rückzahlung der Schuldverschreibungen am Fälligkeitstag (es sei denn, die Emittentin hat im Einklang mit § 3 Abs. [3][4][5][6] die Rückzahlung der Schuldverschreibungen angezeigt) oder eine Verlängerung der Fälligkeit der Schuldverschreibungen bis zum Verlängerten Fälligkeitstag gemäß § 3 Abs. [3][4][5] keinen Kündigungsgrund für welche Zwecke auch immer dar, und gibt keinem Schuldverschreibungsgläubiger das Recht, eine Zinszahlung, Kapital oder andere Zahlungen auf die betreffenden Schuldverschreibungen zu erhalten, es sei denn, solche Zahlungen sind ausdrücklich in diesen Schuldverschreibungsbedingungen vorgesehen.

[(6)][(7)][(8)] Bei einer Verlängerung der Fälligkeit der Schuldverschreibungen gemäß § 3 Abs. [3][4][5] werden Zinssätze, Zinsperioden und Zinszahltage betreffend die Schuldverschreibungen ab dem Fälligkeitstag (einschließlich) bis zum Verlängerten Fälligkeitstag (ausschließlich) im Einklang mit § 2 Abs. [4][5] bis § 2 Abs. [6][7] und [*andere angeben*] bestimmt.

[(7)][(8)][(9)] Wenn die Emittentin einen Teil und nicht den gesamten Betrag des ausstehenden Nennbetrags der Schuldverschreibungen an einem Zinszahltag, der in einen beliebigen Monat nach dem Fälligkeitstag fällt, zurückzahlt, werden die Rückzahlungserlöse anteilig über die Schuldverschreibungen verteilt und der auf die Schuldverschreibungen ausstehende Nennbetrag wird um die Höhe dieser Rückzahlung reduziert.

[(8)][(9)][(10)] Solange eine dieser Schuldverschreibungen noch in Umlauf ist, wird die Emittentin keine weiteren Tschechischen Schuldverschreibungen begeben, es sei denn, die Erlöse aus der Emission solcher weiteren Tschechischen Schuldverschreibungen werden von der Emittentin bei der Begebung dazu verwendet, die betreffenden Schuldverschreibungen im Einklang mit diesen Schuldverschreibungsbedingungen vollständig oder teilweise zu tilgen.

[(9)][(10)][(11] § 3 Abs. [3][4][5] bis § 3 Abs. [9][10][11] finden nur auf Schuldverschreibungen Anwendung, wenn die Emittentin es versäumt, diese Schuldverschreibungen vollumfänglich am Fälligkeitstag (bzw. innerhalb von zwei Bankarbeitstagen danach) zurückzuzahlen.]

§ 4

(Zahlungen)

(1) Die Emittentin verpflichtet sich,

(a) den Zinsbetrag an jedem Zinszahltag zu zahlen und

(b) den Rückzahlungsbetrag am Fälligkeitstag zu zahlen**[.]** [oder**]**

[*Im Fall eines Optionalen Rückzahlungsbetrags einfügen*:

(c) den Optionalen Rückzahlungsbetrag am Kündigungstermin einschließlich aller Zinsen, die bis zum Kündigungstermin anfallen, zu zahlen.**]**

[*Im Falle einer Rückzahlung gemäß §3 Abs. [2][3] einfügen*:

(d) den Rückzahlungsbetrag an dem gemäß § 3 Abs. [2][3] bestimmten Tag der Rückzahlung zu zahlen einschließlich aller bis zu diesem Tag der Rückzahlung aufgelaufenen Zinsen [.] **[**oder**]**]

[*Im Falle einer Rückzahlung gemäß §3 Abs. 3 einfügen*:

(e) den Rückzahlungsbetrag an dem gemäß § 3 Abs. 3 bestimmten Tag der Rückzahlung zu zahlen einschließlich aller bis zu diesem Tag der Rückzahlung aufgelaufenen Zinsen[.]]

Die in diesem Absatz (1) genannten Beträge sowie alle weiteren gemäß diesen Schuldverschreibungsbedingungen geschuldeten Beträge werden **[***Falls die Festgelegte Währung der Euro ist einfügen:* auf den nächsten 0,01 Euro auf- oder abgerundet, wobei 0,005 Euro **[**aufgerundet**] [**stets abgerundet**]** werden**][***Falls die festgelegte Währung nicht der Euro ist einfügen:* auf die kleinste Einheit der Festgelegten Währung auf- oder abgerundet, wobei 0,5 einer solchen Einheit **[**aufgerundet**] [**stets abgerundet**]** werden**]**

[*Im Fall von Dual-Currency-Schuldverschreibungen einfügen*:

(2) Die Zahlung des Rückzahlungsbetrages[,**][**und**]** des Zinsbetrags / der Zinsbeträge[,**][**und**] [**des Optionalen Rückzahlungsbetrages**]** werden in **[***Währung einfügen***]** abgewickelt.

[Die Umrechnung der Beträge zahlbar in [*Währung einfügen*] erfolgt mit dem Wechselkurs am jeweiligen Kursberechnungstag für den Rückzahlungsbetrag[,**][**und**]** den Zinsbetrag/die Zinsbeträge **[**und**] [**den Optionalen Rückzahlungsbetrag**]**.

Wechselkurs ist [der "[*ersten Kurs einfügen*]" multipliziert mit "[*zweiten Kurs einfügen*]"] am [*Umtauschfaktor einfügen*] jeweiligen Kursberechnungstag.

"[*ersten Kurs einfügen*]" bezeichnet den von [*Sponsor einfügen*] (ein **Fixing Sponsor**) veröffentlichten [*entsprechende Bezeichnung einfügen*] Kassakurs (ein **Kassakurs**) (ausgedrückt als Anzahl von ([*Währung*] pro [einem][●] [*Währung*]), der am Kursberechnungstag auf der Reuters Bildschirmseite "[*Seite einfügen*]" gegen [*Zeit einfügen*] [*Zeitzone einfügen*]) erscheint.

"[*zweiten Kurs einfügen*]" bezeichnet den von [*Sponsor einfügen*] (ein **Fixing Sponsor**) veröffentlichten [*entsprechende Bezeichnung einfügen*] Kassakurs (ein **Kassakurs**) (ausgedrückt als Anzahl von ([*Währung*] pro [einem][●] [*Währung*]), der am Kursberechnungstag auf der Reuters Bildschirmseite "[*Seite einfügen*]" gegen [*Zeit einfügen*] [*Zeitzone einfügen*]) erscheint.

Kursberechnungstag bezeichnet den [zweiten] Bankarbeitstag vor der Zahlung des Rückzahlungsbetrages[,**][**und**]** des Zinsbetrages/der Zinsbeträge **[**und**] [**des Optionalen Rückzahlungsbetrages**]**, jeweils in Übereinstimmung mit der Konvention für Bankarbeitstage.

[**Bankarbeitstag** bezeichnet [TARGET2] [, [*Finanzzentrum einfügen*] [und [*Finanzzentrum einfügen*]].]

Marktstörung bezeichnet:

(a) das Ausbleiben der Veröffentlichung eines Kassakurses durch den jeweiligen Fixing Sponsor,

(b) die Aufhebung oder Beschränkung des Devisenhandels für mindestens eine der relevanten Währungen, die für den Wechselkurs Berücksichtigung finden (einschließlich Optionen oder Terminkontrakte), oder die Beschränkung der Konvertibilität der Währungen, die für den Wechselkurs Berücksichtigung finden, oder die effektive Unmöglichkeit, eine Kursstellung für den betreffenden Wechselkurs zu erhalten, oder

(c) alle sonstigen Ereignisse, deren wirtschaftliche Auswirkungen den vorgenannten Fällen ähnlich sind,

jeweils in einem Umfange, der nach Ansicht der Emittentin wesentlich ist.

Wenn eine wie vorstehend bezeichnete Marktstörung an einem Kursberechnungstag eintritt, wird der betreffende Kursberechnungstag auf den nächstfolgenden Bankarbeitstag vor der Zahlung des Rückzahlungsbetrages[,]**[**und**]** des Zinsbetrages/der Zinsbeträge **[**und**]** **[**des Optionalen Rückzahlungsbetrages**]** verschoben.

Wenn die Marktstörung auch nach diesem Tag fortbesteht, gilt für die Berechnung des Rückzahlungsbetrages[,]**[**und**]** des Zinsbetrages/der Zinsbeträge **[**und**]** **[**des Optionalen Rückzahlungsbetrages**]** der letzte ermittelbare Wechselkurs vor Eintritt der Marktstörung.

Für den Fall, dass einer der Kassakurse vom jeweiligen Fixing Sponsor nicht länger festgestellt und veröffentlicht wird, sondern dies durch eine andere Person, Gesellschaft oder Einrichtung (der **Ersatz-Fixing Sponsor**) geschieht, kann die Emittentin den Rückzahlungsbetrag[,]**[**und**]** den Zinsbetrag/die Zinsbeträge **[**und**]** **[**den Optionalen Rückzahlungsbetrag**]** auf der Basis des Wechselkurses berechnen, wie er durch den entsprechenden Ersatz-Fixing Sponsor berechnet und veröffentlicht wird. Im Falle der Bestimmung eines Ersatz-Fixing Sponsors, gilt, unter Berücksichtigung des Kontextes, jede Bezugnahme auf den Fixing Sponsor als eine Bezugnahme auf den Ersatz-Fixing Sponsor.

Im Falle, dass einer der Kassakurse nicht länger festgestellt und veröffentlicht wird, kann die Emittentin den Rückzahlungsbetrag[,]**[**und**]** den Zinsbetrag/die Zinsbeträge **[**und**]** **[**den Optionalen Rückzahlungsbetrag**]** auf der Grundlage eines anderen Wechselkurses (der **Ersatz-Wechselkurs**) bestimmen, wie dieser vom betreffenden Fixing Sponsor oder Ersatz-Fixing Sponsor berechnet und veröffentlicht wird. Im Falle der Bestimmung eines Ersatz-Wechselkurses gilt, unter Berücksichtigung des Kontextes, jede Bezugnahme auf den Wechselkurs als eine Bezugnahme auf den Ersatz-Wechselkurs.

Sollte die Emittentin zu dem Ergebnis kommen, dass

(a) der Austausch eines Fixing-Sponsors nicht möglich ist,

(b) der Austausch des Wechselkurses nicht möglich ist, oder

(c) aufgrund des Eintritts besonderer Umstände oder Höherer Gewalt wie beispielsweise Katastrophen, Krieg, Terrorereignisse, Aufruhr, Beschränkungen von Zahlungsvorgängen, den Beitritt der Währung zur Europäischen Währungsunion, dem Austritt dieser Währung wieder aus der Europäischen Währungsunion, die für den betreffenden Kassakurs Berücksichtigung findet, oder andere Umstände mit vergleichbaren Auswirkungen auf den Wechselkurs, die die verlässliche Feststellung des Wechselkurses unmöglich oder praktisch nicht durchführbar machen,

wird die Emittentin die Bestimmung des Wechselkurses im Rahmen einer verhältnismäßigen Ausführung ihres Ermessens nach den Vorschriften des Bürgerlichen Gesetzbuches (BGB) vornehmen.**]**

[Umrechnung der zahlbaren Beträge in **[**Euro**][•]** erfolgt **[•]**.**]** **[**Es werden jedoch mindestens **[**EUR**][•]** **[**0,001**][•]** [je Festgelegte Stückelung] [auf den Gesamtnennbetrag] gezahlt.**]]**

[(2)**][**(3)**]** Fällt der Tag der Fälligkeit einer Zahlung in Bezug auf die Schuldverschreibungen (der **Zahltag**) auf einen Tag, der kein Bankarbeitstag ist, dann:

[*Im Fall der Following Business Day Convention einfügen:*

haben die Schuldverschreibungsgläubiger keinen Anspruch auf Zahlung vor dem nachfolgenden Bankarbeitstag.**]**

[*Im Fall der Modified Following Business Day Convention einfügen:*

haben die Schuldverschreibungsgläubiger keinen Anspruch auf Zahlung vor dem nachfolgenden Bankarbeitstag, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Zahltag auf den unmittelbar vorhergehenden Bankarbeitstag vorgezogen.**]**

[*Im Fall der Floating Rate Convention einfügen:*

haben die Schuldverschreibungsgläubiger keinen Anspruch auf Zahlung vor dem nachfolgenden Bankarbeitstag, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (i) wird ein Zinszahltag auf den unmittelbar vorhergehenden Bankarbeitstag vorgezogen und (ii) ist jeder nachfolgende Zinszahltag der jeweils letzte Bankarbeitstag des Monats, der **[[***Zahl einfügen***]** Monate**]** **[***andere festgelegte Zeiträume einfügen***]** nach dem vorhergehenden anwendbaren Zinszahltag liegt.**]**

[*Im Fall der Preceding Business Day Convention einfügen:*

[*Für alle Business Day Conventions, wenn keine Anpassung erfolgt:*

Die Schuldverschreibungsgläubiger sind nicht berechtigt, weitere Zinsen oder sonstige Zahlungen auf Grund einer solchen Verschiebung zu verlangen.**]**

[*Für alle Business Day Conventions, wenn eine Anpassung erfolgt:*

Falls die Fälligkeit einer Zahlung, wie oben beschrieben, **[**vorgezogen wird**]** **[**oder**]** **[**verschoben wird**]**, werden ein solcher Zahltag und der Zinsbetrag entsprechend angepasst.**]**

Bankarbeitstag bezeichnet einen Tag (außer Samstag oder Sonntag), an dem das Clearingsystem **[***Wenn die Festgelegte Währung Euro ist oder wenn TARGET2 aus anderen Gründen benötigt wird, einfügen:* und TARGET2 für Geschäfte geöffnet **[**ist**]** **[**sind**]** **[***Wenn die Festgelegte Währung nicht Euro ist, einfügen:* und Geschäftsbanken und Devisenmärkte Zahlungen in **[***alle maßgeblichen Finanzzentren einfügen***]** abwickeln**]**.

[*Falls TARGET2 anwendbar ist, einfügen:* **TARGET2** ist das Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2).**]**

(3) Alle Zahlungen werden an die Hauptzahlstelle (wie in § 5 definiert) geleistet. Die Hauptzahlstelle zahlt die fälligen Beträge an das Clearingsystem zwecks Gutschrift auf die jeweiligen Konten der Depotbanken zur Weiterleitung an die Schuldverschreibungsgläubiger. Die Zahlung an das Clearingsystem befreit die Emittentin in Höhe der Zahlung von ihren Verbindlichkeiten aus den Schuldverschreibungen.

(4) Sofern die Emittentin Zahlungen unter den Schuldverschreibungen bei Fälligkeit nicht leistet, wird der fällige Betrag auf Basis des gesetzlich festgelegten Satzes für Verzugszinsen[9] verzinst. Diese Verzinsung beginnt an dem Tag der Fälligkeit der Zahlung (einschließlich) und endet mit Ablauf des Tages, der der tatsächlichen Zahlung vorangeht (ausschließlich).

[*Im Fall einer Vorläufigen Globalurkunde einfügen*:

(5) Zinszahlungen auf die Schuldverschreibungen, die durch eine Vorläufige Globalurkunde verbrieft werden, erfolgen nur nach Lieferung der Bescheinigungen über Nicht-U.S.-Eigentum (wie in § 1 definiert) durch die relevanten Teilnehmer am Clearingsystem.**]**

§ 5

(Hauptzahlstelle, Zahlstelle, Berechnungsstelle)

[9] Der gesetzliche Verzugszinssatz gemäß §§ 288 Absatz 1, 247 Absatz 1 BGB beträgt für das Jahr fünf Prozentpunkte (sofern mindestens ein Verbraucher beteiligt ist) oder acht Prozentpunkte (sofern kein Verbraucher beteiligt ist) über dem von der Deutschen Bundesbank zum jeweiligen Zeitpunkt veröffentlichten Basiszinssatz.

(1) Die [Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom] **[***andere Person, die als Hauptzahlstelle ernannt wurde, einfügen***]**, ist die Hauptzahlstelle (die **Hauptzahlstelle**). Die Emittentin kann zusätzliche Zahlstellen (die **Zahlstellen**) ernennen und die Ernennung von Zahlstellen widerrufen. Die Ernennung bzw. der Widerruf ist gemäß § 10 mitzuteilen.

[Zusätzliche Zahlstelle zum **[**Zeitpunkt einfügen**]** ist **[**Person, die als zusätzliche Zahlstelle ernannt wurde, einfügen**].]**

(2) Die Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom **[***andere Person, die als Berechnungsstelle ernannt wurde, einfügen***]** ist die Berechnungsstelle (die **Berechnungsstelle**).

(3) Sofern irgendwelche Ereignisse eintreten sollten, die die Hauptzahlstelle oder die Berechnungsstelle **[**oder eine zusätzliche Zahlstelle**]** daran hindern, ihre Aufgabe als Hauptzahlstelle oder Berechnungsstelle **[**oder als zusätzliche Zahlstelle**]** zu erfüllen, ist die Emittentin verpflichtet, eine andere Bank von internationalem Rang als Hauptzahlstelle **[**oder als zusätzliche Zahlstelle**]**, bzw. eine andere Person oder Institution mit der nötigen Sachkenntnis als Berechnungsstelle zu ernennen. Eine Übertragung der Stellung als Hauptzahlstelle oder Berechnungsstelle **[**oder zusätzliche Zahlstelle**]** ist von der Emittentin unverzüglich gemäß § 10 mitzuteilen.

(4) Die Hauptzahlstelle **[**, die Zahlstelle**[**n**]]** und die Berechnungsstelle [handelt][handeln] im Zusammenhang mit den Schuldverschreibungen ausschließlich als Erfüllungsgehilfen der Emittentin, [übernimmt][übernehmen] keine Verpflichtungen gegenüber den Schuldverschreibungsgläubigern und stehen in keinem Auftrags- oder Treuhandverhältnis zu diesen. Die Hauptzahlstelle **[**und die Zahlstelle**[**n**]]** und die Berechnungsstelle **[**ist**] [**sind**]** von den Beschränkungen des §181 BGB befreit.

(5) Falls es sich nicht um einen offensichtlichen Fehler handelt, sind Entscheidungen der Berechnungsstelle endgültig und für die Emittentin sowie die Schuldverschreibungsgläubiger verbindlich.

§ 6

(Steuern)

[*Falls keine Pflicht zum Steuerausgleich (Gross-up) anwendbar ist, einfügen:*

(1) Zahlungen auf die Schuldverschreibungen werden nur nach Abzug und Einbehalt gegenwärtiger oder zukünftiger Steuern, Abgaben oder staatlicher Gebühren gleich welcher Art, die unter jedwedem anwendbaren Rechtssystem oder in jedwedem Land, das die Steuerhoheit beansprucht, von oder im Namen einer Gebietskörperschaft oder Behörde des Landes, die zur Steuererhebung ermächtigt ist, auferlegt, erhoben oder eingezogen werden (die **Steuern**) geleistet, soweit ein solcher Abzug oder Einbehalt gesetzlich vorgeschrieben ist. Die Emittentin hat gegenüber den zuständigen Regierungsbehörden Rechenschaft über die abgezogenen oder einbehaltenen Steuern abzulegen.]

[*Falls eine Steuerausgleichpflicht (Gross-up) anwendbar ist, einfügen:*

(2) Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Schuldverschreibungen seitens bzw. namens der Emittentin erfolgen ohne Einbehalt oder Abzug jeglicher gegenwärtiger oder künftiger Steuern oder Abgaben welcher Art auch immer, die seitens bzw. namens der Steuerjurisdiktion erhoben oder eingezogen werden, es sei denn, ein solcher Einbehalt bzw. Abzug ist gesetzlich vorgeschrieben. In letzterem Fall wird die Emittentin die notwendigen zusätzlichen Beträge zahlen, um zu gewährleisten, dass die von den Inhabern der Schuldverschreibungen erhaltenen Nettobeträge nach einem solchen Einbehalt oder Abzug den jeweiligen Beträgen von Kapital und Zinsen entsprechen, die ihnen ohne einen

solchen Einbehalt oder Abzug bezüglich der Schuldverschreibungen zustehen würden, mit der Ausnahme, dass keine solchen zusätzlichen Beträge für Schuldverschreibungen gezahlt werden:

(a) die in der Tschechischen Republik zur Zahlung vorgelegt werden; oder

(b) deren Inhaber für solche Steuern oder Abgaben in Bezug auf diese Schuldverschreibung aufgrund seiner (über die bloße Inhaberschaft der Schuldverschreibung hinausgehenden) Verbindung mit der Steuerjurisdiktion haftbar ist; oder

(c) die mehr als 30 Tage nach dem Relevanten Datum (wie nachstehend definiert) zur Zahlung vorgelegt werden, außer in dem Umfang, in dem der Inhaber Anspruch auf einen zusätzlichen Betrag gehabt hätte, wenn er die Schuldverschreibung an diesem dreißigsten Tag zur Zahlung vorgelegt hätte, vorausgesetzt dieser Tag wäre ein Zahlungstag (wie in § 4 Abs. [2][3] definiert) gewesen.

(3) Unbeschadet anderslautender Bestimmungen in diesem § 6 werden keine zusätzlichen Beträge gezahlt, wenn ein solcher Einbehalt oder Abzug gemäß einer in Abschnitt 1471(b) des U.S. Internal Revenue Code of 1986 (der **Code**) beschriebenen Vereinbarung erforderlich ist oder anderweitig gemäß den Abschnitten 1471 bis 1474 des Code, irgendwelchen Vorschriften oder Vereinbarungen darunter, deren offizieller Auslegung oder gemäß einem Gesetz zur Umsetzung einer zwischenstaatlichen Zusammenarbeit in diesem Bereich oder gemäß einer Vereinbarung zwischen den Vereinigten Staaten von Amerika und der Tschechischen Republik zur Umsetzung von FATCA oder gemäß einem Gesetz zur Umsetzung oder in Befolgung oder zwecks Einhaltung einer solchen Vereinbarung auferlegt wird.

(4) Für die Zwecke dieser Schuldverschreibungsbedingungen haben die folgenden Begriffe die ihnen nachstehend zugeordnete Bedeutung:

Steuerjurisdiktion bezeichnet die Tschechische Republik oder eine Gebietskörperschaft oder Behörde auf deren Gebiet mit der Befugnis zur Erhebung von Steuern; und

Relevantes Datum bezeichnet den Tag, an dem die betreffende Zahlung erstmals fällig wird, es sei denn, der volle zu zahlende Betrag ist an bzw. vor diesem Fälligkeitstag nicht bei der Hauptzahlstelle eingegangen, in welchem Fall das Relevante Datum der Tag ist, an dem die Schuldverschreibungsgläubiger ordnungsgemäß in Übereinstimmung mit § 10 davon verständigt wurden, dass der volle zu zahlende Betrag erhalten wurde.]

§ 7

(Rang)

(1) Unbeachtlich § 14 handelt es sich bei den Schuldverschreibungen um gemäß §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes begebene, mit Hypotheken gedeckte Schuldverschreibungen nach Maßgabe des tschechischen Rechts (*hypoteční zástavní listy*).

(2) Die Schuldverschreibungen verbriefen direkte, unbedingte, nicht nachrangige und unbesicherte Verbindlichkeiten der Emittentin und sind gleichrangig sowohl untereinander als auch bezüglich aller anderen von der Emittentin begebenen Tschechischen Schuldverschreibungen, die zum jeweiligen Zeitpunkt ausstehen und von derselben Deckungsmasse Nutzen ziehen (wobei die Emittentin nach eigenem Ermessen mehrere Deckungsmassen bilden kann), sowie bezüglich aller anderen Verbindlichkeiten der Emittentin, die den Tschechischen Schuldverschreibungen gleichrangig gestellt wurden. Obschon die Schuldverschreibungen unbesicherte Verbindlichkeiten der Emittentin darstellen, sind im Falle eines etwaigen gegen die Emittentin geführten Insolvenzverfahrens besondere Regeln für die Verbindlichkeiten anwendbar, die sich aus den von der Emittentin begebenen ausstehenden Tschechischen Schuldverschreibungen ergeben.

(3) [Bei den Schuldverschreibungen handelt es sich um sog. “CRR-kompatible” Schuldverschreibungen, die den Anforderungen von § 28a Abs. 2 des Tschechischen Schuldverschreibungsgesetzes genügen und bei

denen ausschließlich die CRR-Hypothekendarlehen der Emittentin verwendet werden, um den Anforderungen von § 28a Abs. 2 des Tschechischen Schuldverschreibungsgesetzes zu genügen.]

(4) Für die Zwecke dieser Schuldverschreibungsbedingungen haben die folgenden Begriffe die ihnen nachstehend zugeordnete Bedeutung:

Angepasster Wert bezeichnet, soweit die einschlägigen Gesetze nichts anderes vorsehen:

(a) für jedes Hypothekendarlehen den jeweils niedrigeren Wert der folgenden Größen:

(i) der ausstehende Nennwert des Hypothekendarlehens; und

(ii) der Wert der Beliehenen Immobilie bezüglich dieses Hypothekendarlehens;

(b) für jede PSB-Forderung und -Risikoposition: deren ausstehenden Nennwert;

(c) für Bargeld: den ausstehenden Nennwert; und

(d) für jedes Derivat: dessen tatsächlichen Wert gemäß anwendbarem Recht.

Sonderaufsichtsvertrag bezeichnet den Sonderaufsichtsvertrag vom 4. Juni 2020 zwischen der Emittentin als Emittent und Deloitte Audit s.r.o. als Sonderaufseher (der **Sonderaufseher**).

Sonderaufsichtsarbeitstag bezeichnet bezeichnet jeden Tag (außer Samstag oder Sonntag), an dem Handelsbanken und Devisenmärkte in Prag Zahlungen abwickeln oder TARGET2 für Zahlungen oder Wechselgeschäfte mit dem Euro als Ausgangs- oder Zielwährung geöffnet ist.

Sonderaufsichtsberechnungstag bezeichnet:

(a) den Ersten Sonderaufsichtsberechnungstag; und

(b) nach dem Ersten Sonderaufsichtsberechnungstag:

(i) vor dem Eintreten eines fortbestehenden Kündigungsgrundes: jährlich jedes Datum seiner alljährlichen Wiederkehr; und

(ii) nach Eintreten eines fortbestehenden Kündigungsgrundes: jedes Monatliche Datum, das zumindest einen Kalendermonat nach solchem ersten Eintreten folgt.

Bargeld bezeichnet Barforderungen der Emittentin gemäß Abschnitt 31(2)(d) des Tschechischen Schuldverschreibungsgesetzes.

Zeichnungsberechtigter bezeichnet eine Person, die ein Gesellschaftsamt bei der Emittentin bekleidet oder einer andere Person, die von der Emittentin als Zeichnungsberechtigter ernannt wurde und für die eine von der Emittentin unterzeichnete Urkunde vorgelegt wurde, in der Name und Unterschrift dieser Person aufgeführt sind und die die Zeichnungsberechtigung dieser Person bestätigt.

CNB bezeichnet die Tschechische Nationalbank.

CNB-Verordnung bezeichnet Verordnung Nr. 2/2019 Slg. der CNB vom 21.12.2018 (*Vyhláška České národní banky č. 2/2019 Sb. ze dne 21. prosince 2018*), über die Umsetzung einiger Bestimmungen des Tschechischen Schuldverschreibungsgesetzes, in der jeweils gültigen Fassung.

Vertraglicher bereinigter Saldo der Deckungsmasse bezeichnet die Summe der ausstehenden Angepassten Werte für alle Deckungsaktiva, wobei der Angepasste Wert:

(a) für das einzelne Hypothekendarlehen mit Null angesetzt wird, falls es sich beim Hypothekendarlehen um ein Notleidendes Darlehen handelt;

(b) für das einzelne Hypothekendarlehen mit Null angesetzt wird, falls das Hypothekendarlehen nicht die in § 30 Abs. 1 des Tschechischen Schuldverschreibungsgesetzes aufgeführten Bedingungen erfüllt;

(c) für das einzelne CRR-Hypothekendarlehen mit Null angesetzt wird, falls das CRR-Hypothekendarlehen nicht die anwendbaren Anforderungen der Kapitaladäquanzverordnung (CRR) erfüllt; und

(d) für das einzelne Hypothekendarlehen mit Null angesetzt wird, falls das Hypothekendarlehen im Sinne des Art. 178 der Kapitaladäquanzverordnung (CRR) überfällig ist,

wobei nicht auf tschechischen Kronen (*koruna*) lautende Deckungsaktiva zum Maßgeblichen Wechselkurs in den Gegenwert in tschechischen Kronen umgerechnet werden.

Deckungsaktiva bezeichnet die im Deckungsregister eingestellten Deckungsaktiva, die den Gesetzlichen Auswahlkriterien und den Vertraglichen Auswahlkriterien genügen (soweit auf die jeweiligen Deckungsaktiva anwendbar).

Deckungsregister bezeichnet das jeweilige Deckungsregister für jede Deckungsmasse, die von der Emittentin im Einklang mit dem Tschechischen Schuldverschreibungsgesetz und der CNB-Verordnung geführt wird.

Deckungsmasse bezeichnet einen Teil des Vermögens der Emittentin, welcher buchhalterisch separat erfasst wird und aus Aktivposten besteht, welche die relevanten Auswahlkriterien erfüllen, die in diesen Schuldverschreibungsbedingungen festgelegt sind, und die Verbindlichkeiten der Emittentin decken sollen, welche sich aus den Tschechischen Schuldverschreibungen ergeben (wozu u.a. deren Gesamtnennwert und anteiliger Ertrag gehören).

Kapitaladäquanzverordnung (CRR) bezeichnet Verordnung Nr. 575/2013 des Europäischen Parlaments und des Rates vom 26. Juni 2013 über Aufsichtsanforderungen an Kreditinstitute und Wertpapierfirmen (in der jeweils gültigen Fassung).

CRR-Hypothekendarlehen bezeichnet die Forderungen der Emittentin aus Hypothekendarlehen gemäß Art. 129 Abs. 1 d) bis f) der Kapitaladäquanzverordnung (CRR).

CRR PSB-Forderungen bezeichnet Risikopositionen gemäß Art. 129 Abs. 1 a) oder b) der Kapitaladäquanzverordnung (CRR).

Tschechisches Bankengesetz bezeichnet das tschechische Gesetz Nr. 21/1992 Slg., in der jeweils gültigen Fassung.

Tschechisches Schuldverschreibungsgesetz bezeichnet das tschechische Gesetz Nr. 190/2004 Slg., in der jeweils gültigen Fassung.

Hypothekendarlehen gemäß SchVG-cz bezeichnet die Hypothekendarlehen der Emittentin gemäß § 31 Abs. 2 a) des Tschechischen Schuldverschreibungsgesetzes.

Tschechisches Kapitalmarktgesetz bezeichnet das tschechische Gesetz Nr. 256/2004 Slg., über Kapitalmarktgeschäfte, in der jeweils gültigen Fassung.

Tschechisches Kapitalmarktaufsichtsgesetz bezeichnet das tschechische Gesetz Nr. 15/1998 Slg., über die Aufsicht im Bereich Kapitalmärkte und die Änderung bestimmter Gesetze, in der jeweils gültigen Fassung.

Tschechische Insolvenzordnung bezeichnet das tschechische Gesetz Nr. 182/2006 Slg., über Insolvenz und die Methoden zu deren Abwicklung (Insolvenzordnung), in der jeweils gültigen Fassung.

Tschechische Schuldverschreibungen bezeichnet alle Instrumente und Wertpapiere, die von der Emittentin in der Form von mit Hypotheken gedeckten Schuldverschreibungen nach Maßgabe des tschechischen Rechts (*hypoteční zástavní listy*) gemäß §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes begeben wurden, und zwar unabhängig davon, ob diese tschechischem oder Drittstaatrecht unterworfen wurden, und unabhängig davon, ob sie im Rahmen des Programms (als die hierin definierten Schuldverschreibungen), im Rahmen eines Lokalen Schuldverschreibungsprogramms, im Rahmen eines von der Emittentin erst noch aufzulegenden Programms oder als eigenständiges Produkt aufgelegt werden.

Tschechisches Vermögensbewertungsgesetz bezeichnet das tschechische Gesetz Nr. 151/1997 Slg., über Vermögensbewertung, in der jeweils gültigen Fassung.

Dealer bezeichnet UniCredit Bank AG, UniCredit Bank Czech Republic and Slovakia, a.s. sowie weitere von Zeit zu Zeit im Einklang mit dem Dealer Agreement für eine bestimmte Emission oder auf fortlaufender Basis ernannte Dealer (zusammen die **Dealer**).

Dealer Agreement bezeichnet das geänderte und neugefasste Dealer Agreement vom 24. Juni 2021 zwischen der Emittentin als Emittent, UniCredit Bank AG als Arrangeur und Dealer, und UniCredit Bank Czech Republic and Slovakia, a.s. als Dealer.

Notleidendes Darlehen bezeichnet ein beliebiges zur Deckungsmasse gehörendes Hypothekendarlehen, das mehr als 90 Tage in Verzug ist.

Derivate bezeichnet die sich aus einem Derivat ergebenden Rechte gemäß Art. 2 Ziffer 5 der Verordnung (EU) 648/2012 des Europäischen Parlaments und des Rates über OTC-Derivate, zentrale Gegenparteien und Transaktionsregister (also eines der in Ziffer 4 bis 10 in Anhang I, Abschnitt C der MiFID II-Verordnung aufgeführten Finanzinstrumente), vorausgesetzt, alle relevanten Bedingungen gemäß § 31 des Tschechischen Schuldverschreibungsgesetzes sind erfüllt;

Erster Sonderaufsichtsberechnungstag bezeichnet den 30. Juni 2020;

Ausgabetag bezeichnet einen Tag, an dem die Emittentin Schuldverschreibungen unter dem Programm begibt;

Ausgabe- und Zahlstellenvertrag bezeichnet den geänderten und neugefassten Vertrag über die Ausgabe- und Zahlstelle vom 24. Juni 2021 zwischen der Emittentin und Citibank, N.A., London Branch als der Hauptzahlstelle.

Lokales Schuldverschreibungsprogramm bezeichnet das (dritte, ruhende) CZK 100.000.000.000 Programm für Inlandsanleihen der Emittentin für die Begebung von (i) mit Hypotheken gedeckten Schuldverschreibungen (*hypoteční zástavní listy*) gemäß tschechischem Recht, die den Anforderungen von §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes und der Früheren CNB-Verordnung genügen (und somit die Definition der Tschechischen Schuldverschreibungen erfüllen) sowie (ii) anderen gemäß tschechischem Recht im Einklang mit dem Tschechischen Schuldverschreibungsgesetz begebenen Schuldverschreibungen, sodann das (zweite, ruhende) CZK 20.000.000.000 Programm für Inlandsanleihen der Emittentin mit ausstehenden mit Hypotheken gedeckten Schuldverschreibungen (*hypoteční zástavní listy*) gemäß tschechischem Recht, die den Anforderungen von §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes und der Früheren CNB-Verordnung genügen (und somit die Definition der Tschechischen Schuldverschreibungen erfüllen), und schließlich ein ruhendes EUR 5.000.000.000 Programm für Inlandsanleihen der Emittentin, vertreten durch ihre Niederlassung in der Slowakei, für die Begebung von (i) mit Hypotheken gedeckten Schuldverschreibungen (*hypotekárne záložné listy*) gemäß slowakischem Recht, die den Anforderungen von §§ 14 ff. des slowakischen Gesetzes Nr. 530/1990 Slg., über Schuldverschreibungen, in der jeweils gültigen Fassung (**Slowakisches Schuldverschreibungsgesetz**) genügen sowie (ii) anderen gemäß slowakischem Recht im Einklang mit dem Slowakischen Schuldverschreibungsgesetz begebenen Schuldverschreibungen.

Monatliches Datum bezeichnet den ersten Tag jedes Monats bzw. falls, dieser kein Sonderaufsichtsarbeitstag ist, den unmittelbar darauffolgenden Sonderaufsichtsarbeitstag.

Hypothekendarlehen bezeichnet die in der Deckungsmasse enthaltenen Hypothekendarlehen gemäß SchVG-cz und die CRR-Hypothekendarlehen.

Beliehene Immobilie bezeichnet in Bezug auf ein beliebiges Hypothekendarlehen eine Immobilie, die alle relevanten Voraussetzungen gemäß §§ 29 und 30 des Tschechischen Schuldverschreibungsgesetzes erfüllt und die zur Besicherung des Hypothekendarlehens verpfändet ist.

Wert der Beliehenen Immobilie bezeichnet den Gesamtwert der Beliehenen Immobilie, der von der Emittentin im Einklang mit dem anzuwendenden Recht (einschl. § 29 des Tschechischen Schuldverschreibungsgesetzes und einschl. des Tschechischen Vermögensbewertungsgesetzes) und mit den internen Regelungen der Emittentin für die Bewertung Beliehener Immobilien bestimmt wurde. Soweit die einschlägigen Rechtsvorschriften nicht anders vorsehen, wird der Wert der Beliehenen Immobilie so berechnet, dass (i) der ermittelte Betrag, falls er auf eine andere Währung als die tschechische Krone (*koruna*) lautet, zum Maßgeblichen Wechselkurs umgerechnet wird, und (ii) der auf tschechische Kronen lautende ermittelte Betrag zum jeweiligen Betrag in tschechischen Kronen angesetzt wird.

Nennwert bezeichnet die Summe der ausstehenden Hauptforderungen sowie aufgelaufener und ausstehender Zinsen in Bezug auf die Tschechischen Schuldverschreibungen, Hypothekendarlehen oder andere Schulden oder Sicherheiten, wobei der Nennwert so zu berechnen ist, dass (i) Beträge in einer anderen Währung als der tschechischen Krone (*koruna*) zum Maßgeblichen Wechselkurs umgerechnet

werden, und (ii) auf tschechische Kronen lautende Beträge zum jeweiligen Betrag in tschechischen Kronen angesetzt werden.

PSB-Forderungen und -Risikopositionen bezeichnet die CRR PSB-Forderungen zusammen mit allen in § 31 Abs. 2 (b) und (c) des Tschechischen Schuldverschreibungsgesetzes genannten Forderungen.

Potenzieller Kündigungsgrund bezeichnet einen Zustand, ein Ereignis oder eine Handlung, der bzw. das bzw. die einen Kündigungsgrund darstellen würde, sobald mehr Zeit verstrichen ist bzw. falls eine Mitteilung, Bestätigung, Erklärung, Forderung und/oder Ersuchen erteilt oder übermittelt wird oder eine vergleichbare Maßnahme ergriffen wird oder eine vergleichbare Bedingung erfüllt ist.

Frühere CNB-Verordnung bezeichnet Verordnung Nr. 164/2014 Slg. der CNB vom 30. Juli 2014 (*Vyhláška České národní banky č. 164/2014 Sb., ze dne 30. července 2014*) über die Umsetzung einiger Bestimmungen des Tschechischen Schuldverschreibungsgesetzes, wie durch die CNB-Verordnung ersetzt.

Programm bezeichnet das € 7.000.000.000 Programm der Emittentin für die Begebung von Schuldverschreibungen.

Ratingagentur bezeichnet Moody's Investors Service España, S.A. sowie jeglichen Rechtsnachfolger, welcher deren Ratinggeschäft übernimmt.

Maßgeblicher Wechselkurs bezeichnet den von der Emittentin bestimmten Gegenwert in tschechischen Kronen (*koruna*) (i) anhand des Kurses, wie ihn die CNB oder eine Nachfolgerquelle für die Umrechnung der relevanten Währung(en) in tschechische Kronen für den Bankarbeitstag bereitstellt, der der jeweiligen Betragsbestimmung vorausgeht oder, (ii) falls ein solcher direkter Wechselkurs für die relevante(n) Währung(en) in tschechische Kronen nicht verfügbar ist, der (von der jeweiligen Zentralbank bereitgestellten) Kurs für die Umrechnung der relevante(n) Währungen in U.S.-Dollar oder Euro, gefolgt von der Umrechnung des betreffenden Betrags in U.S.-Dollar oder Euro in tschechische Kronen anhand des (seitens der CNB bereitgestellten) Wechselkurses für den Bankarbeitstag, der der jeweiligen Betragsbestimmung vorausgeht.

Slowakisches Bankengesetz bezeichnet das slowakische Gesetz Nr. 483/2001 Slg., über Banken, in der jeweils gültigen Fassung.

Gesetzliche Tests bezeichnet alle vom Tschechischen Schuldverschreibungsgesetz für die Emittentin vorgeschriebenen Tests (einschließlich der in Abschnitt 28a Abs. 1, 2 und 3 des Tschechischen Schuldverschreibungsgesetzes genannten Tests).

Gesetzliche Auswahlkriterien bezeichnet die im Tschechischen Schuldverschreibungsgesetz und der CNB-Verordnung (und insbesondere in Abschnitt 31 des Tschechischen Schuldverschreibungsgesetzes) enthaltenen gesetzlichen Kriterien, nach denen entschieden wird, welche Deckungsaktiva Bestandteil der Deckungsmasse sein können.

Tochterunternehmen bezeichnet bezüglich einer beliebigen Person (der **Ersten Person**) zum jeweiligen Zeitpunkt eine solche andere Person (die **Zweite Person**):

(a) deren Angelegenheiten und Unternehmenspolitik von der Ersten Person beherrscht werden bzw. beherrscht werden können, sei es im Wege einer Beteiligung, eines Vertrags, der Befugnis zur Ernennung oder Abberufung von Mitgliedern des Führungsgremiums der Zweiten Person, oder anderweitig; oder

(b) deren Jahresabschluss gemäß dem anzuwendenden Recht und den allgemein anerkannten Rechnungslegungsgrundsätzen mit dem der Ersten Person konsolidiert wird.

Transaktionsdokumente bezeichnet:

(a) die Schuldverschreibungsbedingungen;

(b) die relevante Fassung der Endgültigen Bedingungen;

(c) das Dealer Agreement; und

(d) den Ausgabe- und Zahlstellenvertrag.

(5) Soweit sich aus dem Kontext nichts Gegenteiliges ergibt, gilt, dass eine Bezugnahme in diesen Schuldverschreibungsbedingungen:

(a) auf irgendein Transaktionsdokument oder eine sonstige Vereinbarung oder ein sonstiges Instrument als Bezugnahme auf das jeweilige Transaktionsdokument bzw. die jeweilige Vereinbarung oder das jeweilige Instrument in deren allfällig geänderten, erneuerten, ergänzten, erweiterten oder neugefassten Fassung zu verstehen ist; und

(b) auf eine Gesetzesnorm oder eine gesetzliche Vorschrift als Bezugnahme auf die allfällig geänderte, ersetzte oder neugefasste Gesetzesnorm oder Vorschrift zu verstehen ist.

(6) Zur Klarstellung: Die Emittentin ist berechtigt, in Zukunft zusätzliche Deckungsmassen bezüglich der Tschechischen Schuldverschreibungen zu bilden. Ist dies der Fall, so bleiben die zum jeweiligen Zeitpunkt ausstehenden Schuldverschreibungen von der Deckungsmasse gedeckt, die zum Ausgabetag besteht, und zwar in deren allfällig geänderten oder ergänzten Form.

§ 8

(Verpflichtungen der Emittentin)

(1) Die Emittentin verpflichtet sich, die Deckungsmasse im Einklang mit den Gesetzlichen Auswahlkriterien, den Gesetzlichen Tests und den weiteren einschlägigen Anforderungen gemäß dem Tschechischen Schuldverschreibungsgesetz und der CNB-Verordnung aufrechtzuerhalten. Die Emittentin verpflichtet sich, an jedem Sonderaufsichtsberechnungstag und an jedem Ausgabetag die vorgeschriebenen Kontrollen und Prüfungen vorzunehmen, um sicherzustellen, dass jedes in die Deckungsmasse eingebrachte Hypothekendarlehen auch weiterhin im Einklang mit den Gesetzlichen Auswahlkriterien und den Vertraglichen Auswahlkriterien (gemäß nachstehender Definition) ist. Soweit kein Einklang mit den Gesetzlichen Auswahlkriterien und den Vertraglichen Auswahlkriterien gegeben ist, wird die Emittentin Bestandteile der Deckungsmasse entsprechend ersetzen, um den Einklang mit den Gesetzlichen Auswahlkriterien und den Vertraglichen Auswahlkriterien herzustellen.

(2) Die Emittentin verpflichtet sich außerdem sicherzustellen, dass der Vertragliche Bereinigte Saldo der Deckungsmasse mindestens 110 % des ausstehenden Nennwerts der Tschechischen Schuldverschreibungen beträgt (der **Vertragliche Deckungstest**).

(3) Die Emittentin wird jeweils am Sonderaufsichtsberechnungstag und jedem Ausgabetag ihre Einhaltung der Gesetzlichen Tests und des Vertraglichen Deckungstests prüfen; soweit sie diesen nicht genügt, wird sie Ersetzungen in der Deckungsmasse vornehmen, um die Einhaltung der Gesetzlichen Tests und des Vertraglichen Deckungstests zu gewährleisten. Zur Klarstellung: Ein Verstoß gegen den Vertraglichen Deckungstest löst keinen Kündigungsgrund aus. Allerdings darf die Emittentin, solange dieser Verstoß fortbesteht, keine Tschechischen Schuldverschreibungen begeben, die aus der Deckungsmasse Nutzen ziehen.

(4) Die Emittentin verpflichtet sich, der Ratingagentur (bzw. einer anderen Ratingagentur, die eine Bewertung für die Schuldverschreibungen abgegeben hat) und dem Sonderaufseher von Zeit zu Zeit Auskünfte über den aktuellen Wert des Vertraglichen Bereinigten Saldos der Deckungsmasse zu erteilen und die Einhaltung des Vertraglichen Deckungstests durch die Emittentin zu bestätigen.

(5) Zusätzlich zu den Gesetzlichen Auswahlkriterien wird die Emittentin außerdem dafür sorgen, dass die Deckungsmasse auch die folgenden vertraglichen Auswahlkriterien erfüllt (zusammen die **Vertraglichen Auswahlkriterien**):

(a) die Hypothekendarlehen unterliegen tschechischem oder slowakischem Recht;

(b) die Beliehene Immobilie ist eine erfasste Immobilie gemäß Auszug aus dem Tschechischen Grundbuch ("Immobilienkataster" – *katastr nemovitostí*) oder dem entsprechenden Immobilienverzeichnis einer maßgeblichen Jurisdiktion;

(c) die Hypothekendarlehen wurden an eine oder mehrere natürliche Personen bzw. eine oder mehrere juristische Personen vergeben;

(d) die Hypothekendarlehen werden ordnungsgemäß bedient, und es bestehen bezüglich dieser Darlehen keine für mehr als 90 Tage ausstehenden Zahlungen;

(e) der Betrag des jeweiligen in die Deckungsmasse aufgenommenen Hypothekendarlehens ist mit einem Beleihungsauslauf (LTV) von 100 % gedeckelt;

(f) die Deckungsmasse der Emittentin enthält keine forderungsbesicherten Wertpapiere; und

(g) die Hypothekendarlehen sind weder durch Agrarflächen besichert (soweit diese Gegenstand eines separaten Grundpfandrechts sind und keinen funktionellen Bestandteil einer anderen beliehenen Immobilie darstellen) noch durch andere nicht zu Bauzwecken ausgewiesene Grundstücke.

(6) Die Emittentin verpflichtet sich außerdem für den gesamten Zeitraum, zu dem irgendwelche der Schuldverschreibungen ausstehen:

(a) die Schuldverschreibungsgläubiger (im Einklang mit § 10) und die Hauptzahlstelle unverzüglich vom Eintreten jeglichen Kündigungsgrundes in Kenntnis zu setzen;

(b) jederzeit ordnungsgemäß Buch zu führen und dafür zu sorgen, dass auch ihre Tochterunternehmen ordnungsgemäß Buch führen;

(c) ihren Sitz in der Tschechischen Republik und ihre Bankenlizenz gemäß dem Tschechischen Bankengesetz aufrechtzuerhalten, sowie sämtliche weiteren Zulassungen und Registrierungen, die für das Programm gemäß den Gesetzen und Vorschriften der Tschechischen Republik erforderlich sind (was uneingeschränkt das Tschechische Bankengesetz, das Tschechische Schuldverschreibungsgesetz, das Tschechische Kapitalmarktgesetz und das Tschechische Kapitalmarktaufsichtsgesetz einschließt), und der CNB sämtliche Dokumente zur Verfügung zu stellen, die für die Aufrechterhaltung der Zulassungen und Registrierungen erforderlich sind;

(d) in allen wesentlichen Aspekten ihre sämtlichen Pflichten gemäß den Gesetzen und Vorschriften der Tschechischen Republik (was uneingeschränkt das Tschechische Bankengesetz, das Tschechische Schuldverschreibungsgesetz, das Tschechische Kapitalmarktgesetz und das Tschechische Kapitalmarktaufsichtsgesetz einschließt) dann und so einzuhalten, wenn und wie gemäß dieser Rechtsvorschriften erforderlich; insbesondere hat die Emittentin in allen wesentlichen Aspekten ihre sämtlichen Pflichten gemäß der CNB-Verordnung und anderen Durchführungsvorschriften zum Tschechischen Schuldverschreibungsgesetz bezüglich der Schuldverschreibungen einzuhalten, was uneingeschränkt ihre Verpflichtungen betreffend die Führung des Deckungsregisters und sämtliche weiteren Dauerpflichten der Emittentin betreffend die Tschechischen Schuldverschreibungen und die Deckungsmasse einschließt;

(e) ihre sämtlichen Pflichten gemäß den Rechtsvorschriften der Slowakischen Republik (was uneingeschränkt das Slowakische Bankengesetz einschließt) dann und so einzuhalten, wenn und wie dies gemäß diesen Rechtsvorschriften für irgendwelche Hypothekendarlehen gemäß slowakischem Recht erforderlich ist, die Bestandteil der Deckungsmasse sind;

(f) in englischer Sprache sämtliche Berichte und mit Bestätigungsvermerk versehenen geprüften Jahresabschlüsse für das jeweilige Geschäftsjahr/die jeweilige Rechnungsperiode zu veröffentlichen, die die Bilanz und die Gewinn- und Verlustrechnung enthalten sollen, sowie sämtliche weiteren an Gläubiger der Emittentin ergehenden Mitteilungen, Erklärungen oder Rundschreiben, und zwar jeweils sobald als möglich nach dem Erscheinungsdatum, jedenfalls aber innerhalb von 180 Tagen nach dem Bilanzstichtag der Emittentin;

(g) zum Zeitpunkt der Veröffentlichung des Geschäftsberichts und des Jahresabschlusses gemäß vorstehendem Buchstaben (f) eine von zwei Zeichnungsberechtigten der Emittenten unterschriebene Bescheinigung zu veröffentlichen, wonach nach bestem Wissen und Gewissen der Emittentin Folgendes der Fall ist: (a) während des Zeitraums zwischen dem Abgabedatum der letzten Bescheinigung (bzw., im Falle der ersten solchen Bescheinigung, dem Datum dieser Schuldverschreibungsbedingungen) und dem Datum der Abgabe der aktuellen Bescheinigung ist die Emittentin ihren wesentlichen Verpflichtungen gemäß diesen

Schuldverschreibungsbedingungen, dem Ausgabe- und Zahlstellenvertrag und den übrigen Transaktionsdokumenten nachgekommen (und falls dies nicht der Fall ist, macht die Emittentin detaillierte Angaben zu den Umständen dieser Nichteinhaltung der Verpflichtungen), und (b) unbeschadet der Allgemeingültigkeit dieses Buchstabens (g) und des vorstehenden Buchstabens (f) lag zu einem Zeitpunkt von nicht mehr als 10 Tagen vor Zustellung der Bescheinigung kein Kündigungsgrund bzw. Potenzieller Kündigungsgrund vor (und falls ein solcher Kündigungsgrund bzw. Potenzieller Kündigungsgrund vorliegt, macht die Emittentin detaillierte Angaben zu selbigem);

(h) jeden Schuldverschreibungsgläubiger auf dessen schriftlichen Wunsch hin mit sämtlichen Berichten zu versorgen, die vom Sonderaufseher gemäß dem Sonderaufsichtsvertrag erstellt wurden;

(i) keine der Bedingungen des Sonderaufsichtsvertrags anzupassen, zu ändern, zu erneuern, zu ergänzen oder aufzuheben, ausgenommen:

(i) rein verwaltungstechnische Änderungen und Korrekturen offensichtlicher Irrtümer;

(ii) notwendige Änderungen im Zuge einer Änderung von Gesetzen oder deren Auslegung, einschließlich des Tschechischen Schuldverschreibungsgesetzes und der CNB-Verordnung; oder

(iii) Änderungen, die den Interessen der Schuldverschreibungsgläubiger nicht wesentlich entgegenstehen.

§ 9

(Kündigungsgründe)

(1) Jeder Schuldverschreibungsgläubiger ist berechtigt, seine Schuldverschreibungen sofort fällig zu stellen und deren unverzügliche Rückzahlung zum Rückzahlungsbetrag zu verlangen, falls eines oder mehrere der folgenden Ereignisse (jeweils ein **Kündigungsgrund**) eintreten:

(a) Nichterfüllung irgendwelcher Zahlungsverpflichtungen der Emittentin gemäß bzw. im Zusammenhang mit den Schuldverschreibungen für einen Zeitraum von mehr als 10 (zehn) Bankarbeitstagen ab dem Tag der Fälligkeit dieser Zahlungsverpflichtungen;

(b) Die Emittentin versäumt es, irgendwelche weiteren Wesentlichen Verpflichtungen einzuhalten oder zu erfüllen, und dieser Verzug besteht unbehoben für 45 (fünfundvierzig) Kalendertage ab dem Tag fort, an dem der Emittentin eine Mitteilung seitens des Schuldverschreibungsgläubigers zugestellt wurde, in der sie aufgefordert wird, Abhilfe zu schaffen (mit Ausnahme derjenigen Fälle, in denen der Verzug wegen seiner Wesensart nicht behoben werden kann, und in denen deshalb weder Fortbestand noch Aufforderung zur Abhilfe erforderlich sind, um den Kündigungsgrund zu begründen);

(c) Für die Zwecke des vorstehenden Buchstabens (b) sind unter **Wesentlichen Verpflichtungen** jegliche wesentliche Verpflichtungen der Emittentin gemäß den Schuldverschreibungsbedingungen und gemäß Sonderaufsichtsvertrag zu verstehen. Zur Klarstellung: Ein Verstoß gegen den Vertraglichen Deckungstest für die Zwecke des vorstehenden Buchstabens (b) würde keinen Verstoß gegen Wesentliche Verpflichtungen darstellen; oder

(d) Die Emittentin erfüllt die Gesetzlichen Tests für einen Zeitraum von mehr als drei Monaten nicht.

Zur Klarstellung: Ein Verstoß gegen den Vertraglichen Deckungstest löst keinen Kündigungsgrund aus. Allerdings darf die Emittentin solange dieser Verstoß fortbesteht, keine Tschechischen Schuldverschreibungen begeben, die aus der Deckungsmasse Nutzen ziehen.

Das Recht zur Fälligstellung der Schuldverschreibungen erlischt, falls der fragliche Kündigungsgrund behoben wurde, bevor es zur Ausübung des Rechts kam.

(2) Die Mitteilung der Fälligstellung von Schuldverschreibungen gemäß vorstehendem Abs. 1 soll in Textform seitens des Schuldverschreibungsgläubigers an die Hauptzahlstelle erfolgen, die persönlich oder per Einschreiben zuzustellen ist und einen hinreichend stichhaltigen Nachweis enthalten muss, dass der Schuldverschreibungsgläubiger zum Zeitpunkt der Mitteilung Inhaber der relevanten Schuldverschreibungen ist. Die Schuldverschreibungen werden zum Zeitpunkt des Erhalts der Mitteilung durch die Hauptzahlstelle fällig. Die Hauptzahlstelle wird die Mitteilung ohne weitere Prüfung umgehend an die Emittentin weiterleiten.

§ 10

(Mitteilungen)

[Im Fall von börsennotierten Schuldverschreibungen einfügen:

(1) Mitteilungen

[*Wenn Mitteilungen nicht durch elektronische Veröffentlichung auf der Homepage der maßgeblichen Börse bewirkt werden dürfen, einfügen:*

Alle Mitteilungen in Bezug auf die Schuldverschreibungen sind im Bundesanzeiger zu veröffentlichen **[**und**]**

[*Wenn die Veröffentlichung daneben in einem Börsenpflichtblatt zu machen ist*:, soweit gesetzlich erforderlich in einem Börsenpflichtblatt. Dies ist voraussichtlich die **[***Name des Börsenpflichtblatts einfügen***]**.**]** **[**Ist die Veröffentlichung in dieser Zeitung nicht mehr möglich, werden die Mitteilungen in einem anderen Börsenpflichtblatt gemacht.**]**

Jede Mitteilung gilt am dritten Tage nach dem Veröffentlichungsdatum (oder, wenn sie mehrmals veröffentlicht wird, am dritten Tage nach der ersten Veröffentlichung) als bewirkt.**]**

[*Wenn Mitteilungen durch elektronische Veröffentlichung auf der Homepage der maßgeblichen Börse bewirkt werden dürfen, einfügen:*

Alle Mitteilungen in Bezug auf die Schuldverschreibungen werden **[**zusätzlich**]** durch elektronische Veröffentlichung auf der Homepage der **[***maßgebliche Börse***]** (www.[*Internetadresse einfügen***]**). Jede Mitteilung gilt am dritten Tage nach dem Veröffentlichungsdatum (oder, wenn sie mehrmals veröffentlicht wird, am dritten Tage nach der ersten Veröffentlichung) als bewirkt.**]]**

[(2)**]** Mitteilungen an das Clearingsystem.

[*Im Fall von nicht börsennotierten Schuldverschreibungen einfügen*:

Die Emittentin übermittelt alle Mitteilungen in Bezug auf die Schuldverschreibungen dem Clearingsystem zur Weiterleitung durch das Clearingsystem an die Schuldverschreibungsgläubiger. Jede solche Mitteilung gilt am vierten **[**TARGET2**]** **[**Londoner**]** **[***anderes Finanzzentrum einfügen***]** Bankarbeitstag nach dem Tag der Übermittlung der Mitteilung an das Clearingsystem als an die Schuldverschreibungsgläubiger bewirkt.**]**

[*Im Fall von börsennotierten Schuldverschreibungen einfügen*:

Anstelle der in Absatz (1) erwähnten Veröffentlichung in einem Börsenpflichtblatt darf die Emittentin die jeweilige Mitteilung an das Clearingsystem zur Weiterleitung an die Schuldverschreibungsgläubiger übermitteln, sofern das Regelwerk der Börse, an der die Schuldverschreibungen notiert sind, diese Form der Mitteilung gestattet. Jede solche Mitteilung gilt am vierten **[**TARGET2**]** **[**Londoner**]** **[***anderes*

*Finanzzentrum einfügen***]** Bankarbeitstag nach dem Tag der Übermittlung der Mitteilung an das Clearingsystem als an die Schuldverschreibungsgläubiger bewirkt.**]**

[*Im Fall von TARGET2 Bankarbeitstag einfügen:* **TARGET2 Bankarbeitstag** ist ein Tag (außer einem Samstag oder Sonntag), an dem TARGET2 betriebsbereit ist.**]**

[*Im Fall von nicht-TARGET2 Bankarbeitstagen:* **[Londoner] [***anderes Finanzzentrum einfügen***] Bankarbeitstag** bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in **[**London**] [***anderes Finanzzentrum einfügen***]** für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.**]]**

§ 11

(Rückerwerb)

Die Emittentin ist berechtigt, jederzeit Schuldverschreibungen am Markt oder auf sonstige Weise und zu jedem beliebigen Preis zurückzukaufen. Von der Emittentin zurückgekaufte Schuldverschreibungen können nach Ermessen der Emittentin von der Emittentin gehalten, erneut verkauft oder der Hauptzahlstelle zur Entwertung übermittelt werden.

§ 12

(Vorlegungsfrist)

Die in § 801 Absatz (1) Satz 1 BGB vorgesehene Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

§ 13

(Teilunwirksamkeit)

Sollte eine Bestimmung dieser Schuldverschreibungsbedingungen ganz oder teilweise unwirksam oder undurchführbar sein oder werden, so bleiben die übrigen Bestimmungen davon unberührt. Eine in Folge Unwirksamkeit oder Undurchführbarkeit dieser Schuldverschreibungsbedingungen entstehende Lücke ist durch eine dem Sinn und Zweck dieser Schuldverschreibungsbedingungen und den Interessen der Parteien entsprechende Regelung auszufüllen.

§ 14

(Anwendbares Recht, Gerichtsstand, Sprache)

(1) Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Emittentin und der Schuldverschreibungsgläubiger unterliegen dem Recht der Bundesrepublik Deutschland.

(2) Obschon die Schuldverschreibungen ansonsten dem Recht der Bundesrepublik Deutschland unterliegen und nach diesem auszulegen sind, ziehen sie Nutzen aus den einschlägigen Bestimmungen des Tschechischen Schuldverschreibungsgesetzes, der CNB-Verordnung, der Tschechischen Insolvenzordnung und weiteren Bestimmungen des tschechischen Rechts, die auf die Tschechischen Schuldverschreibungen anwendbar oder anderweitig für diese von Relevanz sind. Deshalb müssen die Schuldverschreibungen die Anforderungen der §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes erfüllen und die Deckungsmasse und ihre Verwaltung unterliegen tschechischem Recht. Außerdem finden im Falle eines Insolvenzverfahrens gegen die Emittentin § 375 der Tschechischen Insolvenzordnung sowie weitere einschlägige Bestimmungen der Tschechischen Insolvenzordnung Anwendung auf die Schuldverschreibungen und die Deckungsmasse.

(3) In Bezug auf in der Deckungsmasse enthaltene Hypothekendarlehen nach slowakischem Recht unterliegt die Deckungsmasse denjenigen Rechtsvorschriften des Slowakischen Bankengesetzes und anderer

slowakischer Gesetze, die auf slowakische Hypothekendarlehen anwendbar bzw. für diese relevant sind, und genießt den sich aus diesen Vorschriften ergebenden Schutz.

(4) Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den in diesen Schuldverschreibungsbedingungen geregelten Angelegenheiten ist, soweit gesetzlich zulässig, München.

[*Falls die Anleihebedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, einfügen*:

(5) Diese Schuldverschreibungsbedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.**]**

[*Falls die Anleihebedingungen in englischer Sprache mit einer Übersetzung in die deutsche Sprache abgefasst sind, einfügen:*

(5) Diese Schuldverschreibungsbedingungen sind in englischer Sprache abgefasst. Eine Übersetzung in die deutsche Sprache ist beigefügt. Der englische Text ist bindend und maßgeblich. Die Übersetzung in die deutsche Sprache ist unverbindlich.**]**
[*Falls die Anleihebedingungen nur in deutscher Sprache abgefasst sind, einfügen:*

(5) Diese Schuldverschreibungsbedingungen sind ausschließlich in deutscher Sprache abgefasst.**]**

§ 15

(Änderungen der Schuldverschreibungsbedingungen)

(1) §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (**SchVG**) finden auf die Schuldverschreibungen Anwendung. Von daher ist die Emittentin berechtigt, diese Schuldverschreibungsbedingungen mit der im Wege eines Mehrheitsbeschlusses erteilten Einwilligung der Schuldverschreibungsgläubiger zu ändern.

(2) Die Schuldverschreibungsgläubiger können im Wege eines Mehrheitsbeschlusses insbesondere Folgendem zustimmen:

(a) Änderung des Fälligkeitsdatums für den Zinszahltag, die Minderung oder Aufhebung des Zinses;

(b) Änderung des Fälligkeitsdatums für die Zahlung des Kapitalbetrags;

(c) Minderung des Kapitalbetrags;

(d) Nachrangigstellung der sich aus den Schuldverschreibungen ergebenden Forderungen in einem gegen die Emittentin geführten Insolvenzverfahren;

(e) die Umwandlung bzw. der Austausch der Schuldverschreibungen gegen Aktien oder andere Wertpapiere oder Obligationen;

(f) Wechsel bzw. Freigabe von Sicherheiten;

(g) Änderung der Währung der Schuldverschreibungen;

(h) Verzicht auf bzw. Einschränkung der Kündigungsrechte, die sich für die Schuldverschreibungsgläubiger aus den Schuldverschreibungen ergeben;

(i) Änderung oder Aufhebung von Nebenbestimmungen der Schuldverschreibungen; und

(j) Bestellung oder Abberufung eines gemeinsamen Vertreters für die Schuldverschreibungsgläubiger.

Ein Mehrheitsbeschluss kann nicht dazu verwendet werden, irgendwelchen Schuldverschreibungsgläubigern eine Zahlungsverpflichtung oder sonstige Leistungspflichten aufzuerlegen.

(3) Die Schuldverschreibungsgläubiger verabschieden ihre Beschlüsse im Wege einer Abstimmung [in einer Gläubigerversammlung][ohne Versammlung gemäß § 18 SchVG].

Die Versammlung der Schuldverschreibungsgläubiger wird von der Emittentin oder vom Gemeinsamen Vertreter (gemäß der Definition in nachstehender Ziffer 8) einberufen. Gemäß § 9 Abs. 1 erster Satz SchVG i. Verb. m. § 18 SchVG gilt, dass die Versammlung der Schuldverschreibungsgläubiger einberufen werden muss, falls Schuldverschreibungsgläubiger, die zusammen Schuldverschreibungen in einem Wert von 5 % des ausstehenden Kapitalbetrags der Schuldverschreibungen schriftlich hierum nachsuchen, unter Benennung einer der in § 9 Abs. 1 erster Satz SchVG aufgeführten Gründe.

(4) Beschlüsse der Schuldverschreibungsgläubiger werden, vorbehaltlich des nachstehenden Satzes und solange Beschlussfähigkeit gegeben ist, durch eine einfache Mehrheit von Stimmen der stimmberechtigten Schuldverschreibungsgläubiger gefasst.

Für die Verabschiedung von Beschlüssen in den Fällen gemäß § 15 Abs. 2 (a) bis (i) bedarf es einer Mehrheit von mindestens 75 % der Stimmen der stimmberechtigten Schuldverschreibungsgläubiger.

(5) Die an der Abstimmung teilnehmenden Schuldverschreibungsgläubiger geben ihre Stimmen gemäß der Höhe des Kapitalbetrags bzw. ihres rechnerischen Anteils an den ausstehenden Schuldverschreibungen ab. Solange die Berechtigung aus den Schuldverschreibungen bei der Emittentin oder irgendeinem ihrer verbundenen Unternehmen liegt bzw. auf Rechnung der Emittentin oder ihres verbundenen Unternehmens gehalten wird (§ 271 Abs. 2 des Handelsgesetzbuchs), ruht das Stimmrecht in Bezug auf solche Schuldverschreibungen. Die Emittentin ist nicht berechtigt, die mit solchen ruhenden Stimmrechten verbundenen Schuldverschreibungen auf einen Dritten zu übertragen, um die Ausübung der Stimmrechte anstelle der Emittentin zu ermöglichen; dies gilt auch für alle verbundenen Unternehmen der Emittentin. Niemand ist berechtigt, ein solches Stimmrecht für den im dritten Satz (erster Halbsatz) weiter oben beschriebenen Zweck auszuüben.

(6) Bindende Wirkung: Mehrheitsbeschlüsse sind für alle Schuldverschreibungsgläubiger verbindlich. Beschlüsse, die nicht für identische Bedingungen für alle Schuldverschreibungsgläubiger sorgen, sind nichtig, es sei denn, die benachteiligten Schuldverschreibungsgläubiger haben dieser nachteiligen Behandlung ausdrücklich zugestimmt.

(7) Schuldverschreibungsgläubiger müssen ihre Berechtigung zur Teilnahme an Abstimmungen zum Zeitpunkt der Abstimmung nachweisen, und zwar durch eine besondere Bescheinigung seitens der Depotstelle (wie nachstehend definiert) und durch Vorlage einer Weisung zur Sperrung seitens der Depotstelle zugunsten der Hauptzahlstelle für den Zeitraum der Abstimmung.

Die von der Depotstelle erteilte Bescheinigung muss

(a) den vollständigen Namen und die Adresse des Schuldverschreibungsgläubigers bezeichnen;

(b) den Gesamtkapitalbetrag der Schuldverschreibungen bezeichnen, der dem Wertpapierkonto zum Zeitpunkt der Erteilung der Bescheinigung gutgeschrieben ist; und

(c) bestätigen, dass die Depotstelle dem Clearingsystem und der Hauptzahlstelle schriftlich die Informationen gemäß (a) und (b) übermittelt hat, sowie Bestätigungen seitens des Clearingsystems.

Depotstelle bezeichnet eine Bank oder ein sonstiges anerkanntes Kreditinstitut, die bzw. das zur geschäftsmäßigen Wertpapierverwahrung berechtigt ist und bei der bzw. bei dem der Schuldverschreibungsgläubiger ein Wertpapierkonto betreffend die Schuldverschreibungen unterhält, einschließlich des Clearingsystems.

(8) Die Schuldverschreibungsgläubiger können im Wege eines Mehrheitsbeschlusses einen gemeinsamen Vertreter (den **Gemeinsamen Vertreter**) bestellen, der dann die Rechte der Schuldverschreibungsgläubiger namens jedes einzelnen Schuldverschreibungsgläubigers ausübt. Jede geschäftsfähige natürliche Person oder qualifizierte juristische Person kann als Gemeinsamer Vertreter tätig werden. Jede Person, die:

(a) Mitglied des Verwaltungsrats, Aufsichtsrats, Vorstands oder eines vergleichbaren Gesellschaftsgremiums der Emittentin oder irgendeiner ihrer verbundenen Unternehmen ist oder dort ein Gesellschaftsamt bekleidet oder als Arbeitnehmer beschäftigt ist;

(b) eine Beteiligung von mindestens 20 % am Aktienkapital der Emittentin oder irgendeiner ihrer verbundenen Unternehmen hält;

(c) Finanzgläubiger der Emittentin oder irgendeiner ihrer verbundenen Unternehmen ist, mit einer Forderung, deren Betrag mindestens 20 % der ausstehenden Schuldverschreibungen entspricht, oder bei einem solchen Finanzgläubiger als Mitglied eines Gesellschaftsgremiums, in leitender oder verantwortlicher Position oder als Arbeitnehmer beschäftigt ist; oder

(d) aufgrund einer besonderen persönlichen Beziehung zu irgendeiner der unter (i) bis (iii) genannten Personen der Kontrolle durch eine solche Person unterworfen ist;

muss die maßgeblichen Umstände den Schuldverschreibungsgläubigern gegenüber offenlegen, bevor er als Gemeinsamer Vertreter bestellt wird. Treten solche Umstände nach der Ernennung zum Gemeinsamen Vertreter ein, so wird der Gemeinsame Vertreter die Schuldverschreibungsgläubiger unverzüglich in angemessener Form hiervon unterrichten.

(9) Dem Gemeinsamen Vertreter kommen die Pflichten und Kompetenzen zu, die ihm das Gesetz oder die Schuldverschreibungsgläubiger per Mehrheitsbeschluss einräumen. Der Gemeinsame Vertreter hat sich nach den Weisungen der Schuldverschreibungsgläubiger zu richten. Insoweit als der Gemeinsame Vertreter bevollmächtigt wurde, bestimmte Rechte der Schuldverschreibungsgläubiger geltend zu machen, sind die Schuldverschreibungsgläubiger nicht berechtigt, diese Rechte selbst in Anspruch zu nehmen, es sei denn, der betreffende Mehrheitsbeschluss sieht dies ausdrücklich vor. Der Gemeinsame Vertreter hat den Schuldverschreibungsgläubigern Bericht über seine Tätigkeiten zu erstatten.

(10) Der Gemeinsame Vertreter haftet den Schuldverschreibungsgläubigern gegenüber in deren Eigenschaft als Gesamtgläubiger für die Erfüllung seiner Pflichten, derer er sich mit der Sorgfalt eines ordentlichen Geschäftsleiters auszuüben hat. [*Falls der Beschluss der Schuldverschreibungsgläubiger eine Beschränkung der Haftung des Gemeinsamen Vertreters vorsieht, einfügen*: Die Haftung des Gemeinsamen Vertreters kann im Wege eines von den Schuldverschreibungsgläubigern verabschiedeten Beschlusses beschränkt werden.][*Falls die Haftung des Gemeinsamen Vertreters auf einen festen Betrag beschränkt ist, einfügen:* Die Haftung des Gemeinsamen Vertreters ist auf einen Betrag des [[*Betrag einfügen*]-fachen seiner Jahresvergütung] [*Betrag einfügen*] beschränkt.] Die Schuldverschreibungsgläubiger entscheiden über die Geltendmachung von Schadensersatzansprüchen seitens der Schuldverschreibungsgläubiger gegenüber dem Gemeinsamen Vertreter.

(11) Der Gemeinsame Vertreter kann von den Schuldverschreibungsgläubigern jederzeit auch ohne Angabe von Gründen von seinem Amt enthoben werden. Der Gemeinsame Vertreter kann bei der Emittentin um sämtliche Auskünfte nachsuchen, die für die Erfüllung seiner Aufgaben erforderlich sind. Die Emittentin kommt für die Kosten und Aufwendungen auf, die mit der Ernennung des Gemeinsamen Vertreters verbunden sind, und zwar einschließlich der angemessenen Vergütung des Gemeinsamen Vertreters.

Option III: Emissionsbedingungen für Nullkupon Schuldverschreibungen

§ 1

(Serie, Form der Schuldverschreibungen, Ausgabe weiterer Schuldverschreibungen)

(1) Diese Tranche der Serie (die **Serie**) von nach Maßgabe des tschechischen Rechts mit Hypotheken gedeckten Schuldverschreibungen (*hypoteční zástavní listy*) (die **Schuldverschreibungen**)) der UniCredit Bank Czech Republic and Slovakia, a.s. (die **Emittentin**) wird am **[***Ausgabetag einfügen***]** (der **Ausgabetag**) in Form von Inhaberschuldverschreibungen auf der Grundlage dieser Schuldverschreibungsbedingungen (die **Schuldverschreibungsbedingungen**) in **[***Festgelegte Währung einfügen***]** (die **Festgelegte Währung**) im Gesamtnennbetrag von **[***Gesamtnennbetrag einfügen***]** (der **Gesamtnennbetrag**) in einer Stückelung von **[***Festgelegte Stückelung einfügen***]** (die **Festgelegte Stückelung**) begeben.

[*Im Fall einer Vorläufigen Globalurkunde, die gegen eine Dauerglobalurkunde ausgetauscht wird, einfügen:*

(2) Die Schuldverschreibungen sind anfänglich in einer vorläufigen Globalurkunde (die **Vorläufige Globalurkunde**) ohne Zinsscheine verbrieft. Die Vorläufige Globalurkunde wird am oder nach dem 40. Tag (der **Austauschtag**) nach dem Ausgabetag nur nach Vorlage von Bescheinigungen, wonach der wirtschaftliche Eigentümer oder die wirtschaftlichen Eigentümer der durch die Vorläufige Globalurkunde verbrieften Schuldverschreibungen keine U.S.-Person(en) ist bzw. sind (ausgenommen bestimmte Finanzinstitute oder Personen, die Schuldverschreibungen über solche Finanzinstitute halten) (die **Bescheinigungen über Nicht-U.S.-Eigentum**), gegen eine Dauerglobalurkunde (die **Dauerglobalurkunde** und, zusammen mit der Vorläufigen Globalurkunde, die **Globalurkunden** und einzeln jeweils eine **Globalurkunde**) ausgetauscht. **[***Falls Clearstream, Luxemburg und Euroclear als Clearingsystem bestimmt sind, gilt Folgendes*: Die Details eines solchen Austausches werden in den Büchern der ICSDs (wie nachfolgend definiert) geführt.**]**

Die Inhaber der Schuldverschreibungen (die **Schuldverschreibungsgläubiger**) haben keinen Anspruch auf Ausgabe von Schuldverschreibungen in effektiver Form. Die Schuldverschreibungen sind als Miteigentumsanteile an der Globalurkunde nach den einschlägigen Bestimmungen des Clearingsystems übertragbar. Zahlungsansprüche sind durch die Dauerglobalurkunde verbrieft.

U.S.-Personen sind solche, wie sie in *Regulation S* des *United States Securities Act of 1933* definiert sind und umfassen insbesondere Gebietsansässige der Vereinigten Staaten sowie amerikanische Kapital- und Personengesellschaften.**]**

Jede Globalurkunde trägt die eigenhändigen oder faksimilierten Unterschriften von zwei berechtigten Vertretern der Emittentin sowie die eigenhändige Unterschrift eines Kontrollbeauftragten der Hauptzahlstelle (wie nachstehend in § 5 definiert).**]**

[*Im Fall einer Dauerglobalurkunde ab dem Ausgabetag, einfügen:*

(3) Die Schuldverschreibungen sind in einer Dauerglobalurkunde ohne Zinsscheine verbrieft (die **Dauerglobalurkunde** oder die **Globalurkunde**), die die eigenhändigen oder faksimilierten Unterschriften von zwei Zeichnungsberechtigten der Emittentin sowie die eigenhändige Unterschrift eines Kontrollbeauftragten der Hauptzahlstelle (wie nachstehend in § 5 definiert) trägt. Die Inhaber der Schuldverschreibungen (die **Schuldverschreibungsgläubiger**) haben keinen Anspruch auf Ausgabe von Schuldverschreibungen in effektiver Form. Die Schuldverschreibungen sind als Miteigentumsanteile an der Globalurkunde nach den einschlägigen Bestimmungen des Clearingsystems übertragbar. Zahlungsansprüche sind durch die Globalurkunde verbrieft.**]**

(4) Jede Globalurkunde wird von einem oder im Namen eines Clearingsystems verwahrt. **Clearingsystem** sind Clearstream Banking société anonyme, Luxemburg (**Clearstream, Luxemburg**) und Euroclear Bank SA/NV (**Euroclear**)**[**(Clearstream, Luxemburg und Euroclear sind jeweils ein **ICSD** (*International*

Central Securities Depository) und gemeinsam die **ICSDs**).**]**. [ist Clearstream Banking AG, Frankfurt (**CBF**).**]**

[*Im Fall von Euroclear und Clearstream, Luxemburg und wenn die Vorläufige Globalurkunde oder die Dauerglobalurkunde keine New Global Note ist, einfügen:*

(5) Die Schuldverschreibungen werden in Classical Global Note Form ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.]

[*Im Fall von Euroclear und Clearstream, Luxemburg und wenn die Vorläufige Globalurkunde oder die Dauerglobalurkunde eine New Global Note ist, einfügen:*

(6) Die Schuldverschreibungen werden in New Global Note Form ausgegeben und von einer gemeinsamen Verwahrstelle (**Common Safekeeper**) im Namen beider ICSDs verwahrt. Der Nennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Büchern beider ICSDs eingetragenen Gesamtbetrag. Die Bücher der ICSDs (die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind schlüssiger Nachweis über den Nennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bestätigung mit dem Nennbetrag der so verbrieften Schuldverschreibungen ist zu jedem Zeitpunkt ein schlüssiger Nachweis über den Inhalt der Bücher des jeweiligen ICSD.

Bei jeder Rückzahlung bzw. Kauf und Entwertung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen werden die Einzelheiten über Rückzahlung bzw. Kauf und Entwertung bezüglich der Globalurkunde anteilig in die Bücher der ICSDs eingetragen und nach dieser Eintragung vom Nennbetrag der in die Bücher der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Schuldverschreibungen abgezogen. **[***Falls die Schuldverschreibungen aufgrund eines optionalen Kündigungsrechts teilweise zurückgezahlt werden können, einfügen:* Für das technische Verfahren der ICSDs im Fall der optionalen Rückzahlung (wie in § 3 definiert) hinsichtlich einer teilweisen Rückzahlung wird der ausstehende Rückzahlungsbetrag (wie nachstehend definiert) entweder als Reduzierung des Nennbetrags oder als Poolfaktor nach billigem Ermessen der ICSDs gemäß § 317 BGB in die Bücher der ICSDs aufgenommen.**]**

[(4)**][**(5)**]** Die Emittentin darf ohne Zustimmung der Schuldverschreibungsgläubiger weitere Schuldverschreibungen mit gleicher Ausstattung in der Weise begeben, dass sie mit den Schuldverschreibungen zusammengefasst werden, mit ihnen eine einheitliche Serie bilden und den Gesamtnennbetrag der Schuldverschreibungen erhöhen. Der Begriff "Schuldverschreibungen " umfasst im Fall einer solchen Erhöhung auch solche zusätzlich begebenen Schuldverschreibungen.

§ 2
(Verzinsung)

(1) Während ihrer Laufzeit erfolgen keine periodischen Zinszahlungen auf die Schuldverschreibungen.

[*Im Fall der Abhängigkeit des, auf den Rückzahlungsbetrag [und den Optionalen Rückzahlungsbetrag] [und den Vorzeitigen Rückzahlungsbetrag] anfallenden, Verzugszinses von der Emissionsrendite, einfügen: anfällt, einfügen:*

(2) **Zinstagequotient** bezeichnet für die Berechnung des auf eine Schuldverschreibung entfallenden Zinsbetrags für jeglichen Zeitraum (der **Berechnungszeitraum**):

[*Im Fall von Actual / Actual (ICMA) einfügen:*

die tatsächliche Anzahl der Tage in diesem Berechnungszeitraum (vom ersten Tag dieses Zeitraums (einschließlich), jedoch ausschließlich des letzten Tages), geteilt durch die tatsächliche Anzahl der Tage im jeweiligen Kalenderjahr.**]**

[*Im Fall von Actual / Actual (ISDA) einfügen:*

die tatsächliche Anzahl von Tagen im Berechnungszeitraum dividiert durch 365 (oder, falls ein Teil dieses Berechnungszeitraums in ein Schaltjahr fällt, die Summe aus (A) der tatsächlichen Anzahl der in das Schaltjahr fallenden Tage des Berechnungszeitraums, dividiert durch 366, und (B) die tatsächliche Anzahl der nicht in das Schaltjahr fallenden Tage des Berechnungszeitraums, dividiert durch 365).**]**

[*Im Fall von Actual / 365 (Fixed) einfügen:*

die tatsächliche Anzahl der Tage im Berechnungszeitraum dividiert durch 365.**]**

[*Im Fall von Actual/360 einfügen:*

die tatsächliche Anzahl der Tage im Berechnungszeitraum dividiert durch 360.**]**

[*Im Fall von 30/360, 360/360 oder Bond Basis gemäß ISDA 2000 einfügen:*

die Anzahl der Tage im Berechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres mit 360 Tagen und mit 12 Monaten mit jeweils 30 Tagen berechnet wird (es sei denn, (A) der letzte Tag des Berechnungszeitraums ist der 31. Tag eines Monats und der erste Tag des Berechnungszeitraums ist weder der 30. noch der 31. eines Monats, in welchem Fall der diesen Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Berechnungszeitraums ist der letzte Tag des Monats Februar, in welchem Fall der Monat Februar nicht als en auf 30 Tage verlängerter Monat zu behandeln ist).**]]**

§ 3

(Fälligkeit, Rückzahlungsbetrag [, Rückzahlung aus steuerlichen Gründen, Rückzahlung aufgrund einer Gesetzwidrigkeit oder Ungültigkeit, Optionale Rückzahlung nach Wahl der Emittentin (Call Option)])

(1) Die Schuldverschreibungen werden am [Fälligkeitstag einfügen] (der **Fälligkeitstag**) in Höhe [Falls die Schuldverschreibungen zu ihrer Festgelegten Stückelung zurückgezahlt werden, einfügen: der Festgelegten Stückelung] [Falls die Schuldverschreibungen in einem von der Festgelegten Stückelung abweichenden Betrag zurückgezahlt werden, einfügen: von [Betrag einfügen] pro Festgelegte Stückelung] (der **Rückzahlungsbetrag**) zur Rückzahlung fällig. Für die Zwecke von § 3 Abs. 2, § 3 Abs. 3 und § 9 gilt, dass jede Schuldverschreibung zu ihrem vorzeitigen Rückzahlungsbetrag (der **Vorzeitige Rückzahlungsbetrag**) zurückgezahlt wird, der gemäß der folgenden Formel berechnet wird:

Vorzeitiger Rückzahlungsbetrag = $RP \times (1 + ER)^{y}$

wobei gilt:

RP bezeichnet [*Referenzpreis einfügen*];

ER bezeichnet [*Emissionsrendite als Dezimalzahl einfügen*]; und

y bezeichnet den Zinstagequotient (wie in § 2 definiert).

[*Bei Rückzahlung aus steuerlichen Gründen einfügen:*

(2) Die Schuldverschreibungen können nach Wahl der Emittentin jederzeit (insgesamt, jedoch nicht teilweise), nach vorheriger (unwiderruflicher) Mitteilung an die Hauptzahlstelle und gemäß § 10 an die Schuldverschreibungsgläubiger mindestens [*Mindestanzahl von Tagen einfügen*] und höchstens [*maximale Anzahl von Tagen einfügen*] Tage im Voraus, zurückgezahlt werden, falls:

(a) die Emittentin anlässlich der nächsten gemäß der Schuldverschreibungen fälligen Zahlung verpflichtet ist bzw. verpflichtet sein wird, zusätzliche Beträge gemäß § 6 zu zahlen, und zwar infolge einer Änderung oder Neufassung von Gesetzen oder Verordnungen innerhalb einer Steuerjurisdiktion (wie in § 6 definiert) oder einer Änderung bezüglich der Anwendung oder offiziellen Auslegung solcher Gesetze oder Verordnungen, wobei die Änderung bzw. Neufassung am oder nach dem Datum wirksam wird, zu dem eine Vereinbarung über die Ausgabe der ersten Tranche der Schuldverschreibungen getroffen wird; und

(b) eine solche Verpflichtung nicht dadurch vermieden werden kann, dass die Emittentin die ihr zur Verfügung stehenden angemessenen Maßnahmen ergreift,

mit der Maßgabe, dass diese Ankündigung der Rückzahlung nicht früher als 90 Tage vor dem frühesten Datum erfolgen darf, an dem die Emittentin verpflichtet wäre, solche zusätzlichen Beträge zu zahlen, falls eine Zahlung bezüglich der Schuldverschreibungen dann fällig wäre.

Bevor die Emittentin die Rückzahlung gemäß diesem § 3 Abs. 2 ankündigt, wird sie der Hauptzahlstelle (zwecks Bereitstellung zur Einsichtnahme durch die Schuldverschreibungsgläubiger an der von ihr benannten Geschäftsadresse) (i) eine von zwei Zeichnungsberechtigten der Emittentin unterschriebene Bescheinigung zustellen, wonach die Emittentin zur Veranlassung der Rückzahlung berechtigt ist, unter Nennung der Umstände, die belegen, dass die aufschiebenden Bedingungen für das Recht der Emittentin zur Rückzahlung erfüllt sind, sowie (ii) ein Gutachten von unabhängigen, anerkannten Rechtsberatern zustellen, wonach die Emittentin verpflichtet ist bzw. sein wird, die zusätzlichen Beträge infolge der betreffenden Änderung oder Neufassung zu zahlen, woraufhin diese Rückzahlung für die Schuldverschreibungsgläubiger abschließende und verbindliche Wirkung entfaltet. Die Hauptzahlstelle ist nicht dafür verantwortlich und kann nicht dafür haftbar gemacht werden, die Bereitstellung der gemäß diesem § 3 Abs. 2 erforderlichen Bescheinigungen und Gutachten zu überwachen oder sicherzustellen; auch ist die Hauptzahlstelle nicht verpflichtet, bereitgestellte Bescheinigungen oder Gutachten zu überprüfen, zu kontrollieren oder zu analysieren, übernimmt keine Verantwortung für den Inhalt dieser Bescheinigungen und Gutachten und haftet nicht, falls der Inhalt der Bescheinigungen oder Gutachten ungenau oder falsch ist. Gemäß diesem § 3 Abs. 2 zurückzuzahlende Schuldverschreibungen werden zum Vorzeitigen Rückzahlungsbetrag zurückbezahlt, zusammen (falls anwendbar) mit den bis zum Fälligkeitstag (ausschließlich) aufgelaufenen Zinsen.]

[(2)] [(3)] Die Schuldverschreibungen können nach Wahl der Emittentin jederzeit (insgesamt, jedoch nicht teilweise), nach vorheriger (unwiderruflicher) Mitteilung an die Hauptzahlstelle und gemäß § 10 an die Schuldverschreibungsgläubiger mindestens [*Mindestanzahl von Tagen einfügen*] Tage und höchstens [*maximale Anzahl von Tagen einfügen*] Tage im Voraus zurückgezahlt werden, falls es für die Emittentin vor dem nächsten Zinszahltag irgendeiner Schuldverschreibung gesetzwidrig geworden ist oder gesetzwidrig wird, weiterhin Schuldverschreibungen ausstehen zu lassen, und zwar infolge einer Änderung oder Neufassung von Gesetzen oder Verordnungen oder einer Änderung bezüglich der Anwendung oder offiziellen Auslegung solcher Gesetze oder Verordnungen, wobei die Änderung bzw. Neufassung vor dem nächsten derartigen Zinszahltag wirksam geworden ist oder wird.

Bevor die Emittentin die Rückzahlung gemäß diesem § 3 Abs. [2][3] ankündigt, wird sie der Hauptzahlstelle (zwecks Bereitstellung zur Einsichtnahme durch die Schuldverschreibungsgläubiger an der von ihr benannten Geschäftsadresse) eine von zwei Zeichnungsberechtigten der Emittentin unterschriebene Bescheinigung zustellen, wonach die Emittentin zur Veranlassung der Rückzahlung berechtigt ist, unter Nennung der Umstände, die belegen, dass die aufschiebenden Bedingungen für das Recht der Emittentin zur Rückzahlung erfüllt sind. Die Hauptzahlstelle ist nicht dafür verantwortlich und kann nicht dafür haftbar gemacht werden, die Bereitstellung der gemäß diesem § 3 Abs. [2][3] erforderlichen Bescheinigungen zu überwachen oder sicherzustellen; auch ist die Hauptzahlstelle nicht verpflichtet, bereitgestellte Bescheinigungen zu überprüfen, zu kontrollieren oder zu analysieren, übernimmt keine Verantwortung für den Inhalt dieser Bescheinigungen und haftet nicht, falls der Inhalt der Bescheinigungen ungenau oder falsch ist. Gemäß diesem § 3 Abs. [2][3] zurückzuzahlende Schuldverschreibungen werden zum Vorzeitigen Rückzahlungsbetrag zurückgezahlt, zusammen (falls anwendbar) mit den bis zum Fälligkeitstag (ausschließlich) aufgelaufenen Zinsen.

[*Im Fall einer optionalen Rückzahlung nach Wahl der Emittentin (Call-Option) einfügen:*

[(3)] [(4)] Die Emittentin kann am **[***Kündigungstermin***[***e***]** *einfügen* **][**eines jeden Jahres beginnend am **[***Datum einfügen***]]** (**[**der**][**jedes dieser Daten ein**]** **Kündigungstermin**) die Schuldverschreibungen vollständig **[**oder teilweise**]** zurückzahlen. Die Emittentin wird mindestens **[***Zahl einsetzen (mindestens 5 Bankarbeitstage)***][**Bankarbeitstage (wie nachstehend in § 4**[**(2)**][**(3)**]** definiert)**][**Monate**]** vor dem **[**betreffenden**]** Kündigungstermin eine solche Rückzahlung gemäß § 8 mitteilen. Diese Mitteilung ist unwiderruflich und gibt den **[**betreffenden**]** Kündigungstermin an. Die Schuldverschreibungen werden zum **[**betreffenden**]** Kündigungstermin zum Optionalen Rückzahlungsbetrag gemäß den Vorschriften des § 4 zurückgezahlt.

Der Optionale Rückzahlungsbetrag (der **Optionale Rückzahlungsbetrag**) [je Schuldverschreibung] [der Schuldverschreibungen] ist **[**seine Festgelegte Stückelung**] [**ihr Gesamtnennbetrag] **[**wie folgt:

[Kündigungstermin(e)	Optionale(r) Rückzahlungsbetrag(-beträge)
[*Kündigungstermin(e) einfügen***]**	**[***Optionale(r) Rückzahlungsbetrag(-beträge) einfügen, der/die nicht unterhalb des Nennwerts/Emissionspreises liegt/liegen***]]**

([4][5]) Falls die Emittentin den Rückzahlungsbetrag [und den Optionalen Rückzahlungsbetrag] [und den Vorzeitigen Rückzahlungsbetrag] nicht bei Fälligkeit zurückzahlt, wird dieser Betrag für den Zeitraum verzinst, der mit dem Tag für die Rückzahlung oder dem Fälligkeitstag der jeweiligen Schuldverschreibungen beginnt und mit dem Ablauf des Tages endet, der der tatsächlichen Rückzahlung der Schuldverschreibungen vorausgeht, [und zwar zu einem Betrag in Höhe des gesetzlichen Verzugszinssatzes][10] [in Höhe eines Betrags, der der Summe entspricht aus:

(a) [*Referenzpreis einfügen*] (der **Referenzpreis**), und

(b) das Produkt von [*Emissionsrendite in Prozent einfügen*] (die **Emissionsrendite**) und dem Referenzpreis für den Zeitraum von [*Ausgabetag einfügen*] (einschließlich) bis zu dem für die Rückzahlung vorgesehenen Tag bzw. dem Tag, an dem die Schuldverschreibungen fällig und zahlbar werden, wobei die Emissionsrendite jährlich berechnet wird.

Erfolgt diese Berechnung für einen Zeitraum, der nicht einer vollen Anzahl an Jahren entspricht, wird die Berechnung in Bezug auf den Zeitraum von weniger als einem ganzen Jahr auf der Grundlage des Zinstagequotienten vorgenommen (wie in § 2 definiert).]

§ 4

(Zahlungen)

(1) Die Emittentin verpflichtet sich,

(a) den Rückzahlungsbetrag am Fälligkeitstag zu zahlen **[**oder**]**

[*Im Fall eines Optionalen Rückzahlungsbetrags einfügen:*

(b) den Optionalen Rückzahlungsbetrag am Kündigungstermin zu zahlen.**]**

[*Im Falle einer Rückzahlung gemäß §3 Abs. 2 einfügen:*

[10] Der gesetzliche Verzugszinssatz gemäß §§ 288 Absatz 1, 247 Absatz 1 BGB beträgt für das Jahr fünf Prozentpunkte (sofern mindestens ein Verbraucher beteiligt ist) oder acht Prozentpunkte (sofern kein Verbraucher beteiligt ist) über dem von der Deutschen Bundesbank zum jeweiligen Zeitpunkt veröffentlichten Basiszinssatz.

(c) den Vorzeitigen Rückzahlungsbetrag an dem gemäß § 3 Abs. 2 bestimmten Tag der Rückzahlung zu bezahlen einschließlich aller bis zu diesem Tag der Rückzahlung aufgelaufenen Zinsen[.] **[**oder**]**]

[*Im Falle einer Rückzahlung gemäß §3 Abs. [2][3] einfügen:*

(d) den Vorzeitigen Rückzahlungsbetrag an dem gemäß § 3 Abs. [2][3] bestimmten Tag der Rückzahlung zu bezahlen einschließlich aller bis zu diesem Tag der Rückzahlung aufgelaufenen Zinsen[.]]

Die in diesem Absatz (1) genannten Beträge sowie alle weiteren gemäß diesen Schuldverschreibungsbedingungen geschuldeten Beträge werden **[***Falls die Festgelegte Währung der Euro ist einfügen:* auf den nächsten 0,01 Euro auf- oder abgerundet, wobei 0,005 Euro **[**aufgerundet**]** **[**stets abgerundet**]** werden**][***Falls die festgelegte Währung nicht der Euro ist einfügen:* auf die kleinste Einheit der Festgelegten Währung auf- oder abgerundet, wobei 0,5 einer solchen Einheit **[**aufgerundet**]** **[**stets abgerundet**]** werden**]**

[*Im Fall von Dual-Currency Schuldverschreibungen einfügen*:

(2) Die Zahlung des Rückzahlungsbetrags[,**][**und**]** **[**des Optionalen Rückzahlungsbetrags] [und**]** **[**des Vorzeitigen Rückzahlungsbetrags**]** werden in **[***Währung einfügen***]** abgewickelt.

[Die Umrechnung der Beträge zahlbar in [*Währung einfügen*] erfolgt mit dem Wechselkurs am jeweiligen Kursberechnungstag für den Rückzahlungsbetrag[,**][**und**]** den Zinsbetrag/die Zinsbeträge **[**und**]** **[**den Optionalen Rückzahlungsbetrag**]** **[**und**]** **[**den Vorzeitigen Rückzahlungsbetrag**]**.

Wechselkurs ist [der "[*ersten Kurs einfügen*]" multipliziert mit "[*zweiten Kurs einfügen*]"] am [*Umtauschfaktor einfügen*] jeweiligen Kursberechnungstag.

"[*ersten Kurs einfügen*]" bezeichnet den von [*Sponsor einfügen*] (ein **Fixing Sponsor**) veröffentlichten [*entsprechende Bezeichnung einfügen*] Kassakurs (ein **Kassakurs**) (ausgedrückt als Anzahl von ([*Währung*] pro [einem][●] [*Währung*]), der am Kursberechnungstag auf der Reuters Bildschirmseite "[*Seite einfügen*]" gegen [*Zeit einfügen*] [*Zeitzone einfügen*]) erscheint.

"[*zweiten Kurs einfügen*]" bezeichnet den von [*Sponsor einfügen*] (ein **Fixing Sponsor**) veröffentlichten [*entsprechende Bezeichnung einfügen*] Kassakurs (ein **Kassakurs**) (ausgedrückt als Anzahl von ([*Währung*] pro [einem][●] [*Währung*]), der am Kursberechnungstag auf der Reuters Bildschirmseite "[*Seite einfügen*]" gegen [*Zeit einfügen*] [*Zeitzone einfügen*]) erscheint.

Kursberechnungstag bezeichnet den [zweiten] Bankarbeitstag vor der Zahlung des Rückzahlungsbetrags[,**][**und**]** des Zinsbetrags/der Zinsbeträge **[**und**]** **[**des Optionalen Rückzahlungsbetrags**]** **[**und**]** **[**des Vorzeitigen Rückzahlungsbetrags**]**, jeweils in Übereinstimmung mit der Konvention von Bankarbeitstagen.

[**Bankarbeitstag** bedeutet [TARGET2] [, [*Finanzzentrum einfügen*] [und [*Finanzzentrum einfügen*]].]

Marktstörung bezeichnet:

(a) das Ausbleiben der Veröffentlichung eines Kassakurses durch den jeweiligen Fixing Sponsor,

(b) die Aufhebung oder Beschränkung des Devisenhandels für mindestens eine der relevanten Währungen, die für den Wechselkurs Berücksichtigung finden (einschließlich Optionen oder Terminkontrakte), oder die Beschränkung der Konvertibilität der Währungen, die für den Wechselkurs Berücksichtigung finden, oder die effektive Unmöglichkeit, eine Kursstellung für den betreffenden Wechselkurs zu erhalten, oder

(c) alle sonstigen Ereignisse, deren wirtschaftliche Auswirkungen den vorgenannten Fällen ähnlich sind,

jeweils in einem Umfange, der nach Ansicht der Emittentin wesentlich ist.

Wenn eine wie vorstehend bezeichnete Marktstörung an einem Kursberechnungstag eintritt, wird der betreffende Kursberechnungstag auf den nächstfolgenden Bankarbeitstag vor der Zahlung des Rückzahlungsbetrags[,]**[**und**]** des Zinsbetrags/der Zinsbeträge **[**und**]** **[**des Optionalen Rückzahlungsbetrags**]** **[**und**]** **[**des Vorzeitigen Rückzahlungsbetrags**]** verschoben.

Wenn die Marktstörung auch nach diesem Tag fortbesteht, gilt für die Berechnung des Rückzahlungsbetrags[,]**[**und**]** des Zinsbetrags/der Zinsbeträge **[**und**]** **[**des Optionalen Rückzahlungsbetrags**]** **[**und**]** **[**des Vorzeitigen Rückzahlungsbetrags**]** der letzte ermittelbare Wechselkurs vor Eintritt der Marktstörung.

Für den Fall, dass einer der Kassakurse vom jeweiligen Fixing Sponsor nicht länger festgestellt und veröffentlicht wird, sondern dies durch eine andere Person, Gesellschaft oder Einrichtung (der **Ersatz-Fixing Sponsor**) geschieht, kann die Emittentin den Rückzahlungsbetrag[,]**[**und**]** den Zinsbetrag/die Zinsbeträge **[**und**]** **[**den Optionalen Rückzahlungsbetrag**]** **[**und**]** **[**den Vorzeitigen Rückzahlungsbetrag**]** auf der Basis des Wechselkurses berechnen, wie er durch den entsprechenden Ersatz-Fixing Sponsor berechnet und veröffentlicht wird. Im Falle der Bestimmung eines Ersatz-Fixing Sponsors, gilt, unter Berücksichtigung des Kontextes, jede Bezugnahme auf den Fixing Sponsor als eine Bezugnahme auf den Ersatz-Fixing Sponsor.

Im Falle, dass einer der Kassakurse nicht länger festgestellt und veröffentlicht wird, kann die Emittentin den Rückzahlungsbetrag[,]**[**und**]** den Zinsbetrag/die Zinsbeträge **[**und**]** **[**den Optionalen Rückzahlungsbetrag**]** **[**und**]** **[**den Vorzeitigen Rückzahlungsbetrag**]** auf der Grundlage eines anderen Wechselkurses (der **Ersatz-Wechselkurs**) bestimmen, wie dieser vom betreffenden Fixing Sponsor oder Ersatz-Fixing Sponsor berechnet und veröffentlicht wird. Im Falle der Bestimmung eines Ersatz-Wechselkurses gilt, unter Berücksichtigung des Kontextes, jede Bezugnahme auf den Wechselkurs als eine Bezugnahme auf den Ersatz-Wechselkurs.

Sollte die Emittentin zu dem Ergebnis kommen, dass

(a) der Austausch eines Fixing-Sponsors nicht möglich ist,

(b) der Austausch des Wechselkurses nicht möglich ist, oder

(c) aufgrund des Eintritts besonderer Umstände oder Höherer Gewalt wie beispielsweise Katastrophen, Krieg, Terrorereignisse, Aufruhr, Beschränkungen von Zahlungsvorgängen, den Beitritt der Währung zur Europäischen Währungsunion, dem Austritt dieser Währung wieder aus der Europäischen Währungsunion, die für den betreffenden Kassakurs Berücksichtigung findet, oder andere Umstände mit vergleichbaren Auswirkungen auf den Wechselkurs, die die verlässliche Feststellung des Wechselkurses unmöglich oder praktisch nicht durchführbar machen,

wird die Emittentin die Bestimmung des Wechselkurses im Rahmen einer verhältnismäßigen Ausführung ihres Ermessens nach den Vorschriften des Bürgerlichen Gesetzbuches (BGB) vornehmen.**]**

[Umrechnung der zahlbaren Beträge in **[**Euro**]****[●]** erfolgt in **[●].]** **[**Es werden jedoch mindestens **[**EUR**]****[●]** **[**0,001**]****[●]** [je Festgelegte Stückelung] [auf den Gesamtnennbetrag] gezahlt.**]]**

[(2)**]****[**(3)**]** Fällt der Tag der Fälligkeit einer Zahlung in Bezug auf die Schuldverschreibungen (der **Zahltag**) auf einen Tag, der kein Bankarbeitstag ist, dann:

[*Im Fall der Following Business Day Convention einfügen:*

haben die Schuldverschreibungsgläubiger keinen Anspruch auf jegliche Zahlung vor dem nachfolgenden Bankarbeitstag.**]**

[*Im Fall der Modified Following Business Day Convention einfügen:*

haben die Schuldverschreibungsgläubiger keinen Anspruch auf Zahlung vor dem nachfolgenden Bankarbeitstag, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Zahltag auf den unmittelbar vorhergehenden Bankarbeitstag vorgezogen.**]**

[*Im Fall der Preceding Business Day Convention einfügen:*

wird der Zahltag auf den unmittelbar vorhergehenden Bankarbeitstag vorgezogen.**]**

[*Für alle Business Day Conventions, wenn keine Anpassung erfolgt:*

Die Schuldverschreibungsgläubiger sind nicht berechtigt, Zinsen oder sonstige Zahlungen auf Grund einer solchen Verschiebung zu verlangen.**]**

[*Für alle Business Day Conventions, wenn eine Anpassung erfolgt:*

Falls die Fälligkeit einer Zahlung, wie oben beschrieben, **[**vorgezogen wird**] [**oder**] [**verschoben wird**]**, werden ein solcher Zahltag und die jeweilige Zahlung entsprechend angepasst.**]**

Bankarbeitstag bezeichnet einen Tag (außer Samstag oder Sonntag), an dem das Clearingsystem **[**Wenn die Festgelegte Währung Euro ist oder wenn TARGET2 aus anderen Gründen benötigt wird, einfügen: und TARGET2 für Geschäfte geöffnet **[**ist**] [**sind**] [**Wenn die Festgelegte Währung nicht Euro ist, einfügen: und Geschäftsbanken und Devisenmärkte Zahlungen in **[**alle maßgeblichen Finanzzentren einfügen**]** abwickeln**]**.

[Falls TARGET2 anwendbar ist, einfügen: **TARGET2** ist das Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2).**]**

(3) Alle Zahlungen werden an die Hauptzahlstelle (wie in § 5 definiert) geleistet. Die Hauptzahlstelle zahlt die fälligen Beträge an das Clearingsystem zwecks Gutschrift auf die jeweiligen Konten der Depotbanken zur Weiterleitung an die Schuldverschreibungsgläubiger. Die Zahlung an das Clearingsystem befreit die Emittentin in Höhe der Zahlung von ihren Verbindlichkeiten aus den Schuldverschreibungen.

(4) Sofern die Emittentin Zahlungen unter den Schuldverschreibungen bei Fälligkeit nicht leistet, wird der fällige Betrag auf Basis des gesetzlich festgelegten Satzes für Verzugszinsen[11] verzinst [(es sei denn, der zur Zahlung anstehende Betrag wird zu einem Zinssatz verzinst, der auf dem gesetzlichen Verzugszinssatz beruht und gemäß vorstehendem § [(2)][(3)] berechnet wird)]. Diese Verzinsung beginnt an dem Tag der Fälligkeit der Zahlung (einschließlich) und endet mit Ablauf des Tages, der der tatsächlichen Zahlung vorangeht (ausschließlich).

[*Im Fall einer Vorläufigen Globalurkunde einfügen:*

(5) Zahlungen auf die Schuldverschreibungen, die durch eine Vorläufige Globalurkunde verbrieft werden, erfolgen nur nach Lieferung der Bescheinigungen über Nicht-U.S.-Eigentum (wie in § 1 definiert) durch die relevanten Teilnehmer am Clearingsystem.**]**

§ 5

(Hauptzahlstelle, Zahlstelle)

(1) Die [Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom] **[***andere Person, die als Hauptzahlstelle ernannt wurde, einfügen***]**, ist die Hauptzahlstelle (die **Hauptzahlstelle**). Die Emittentin kann zusätzliche Zahlstellen (die **Zahlstellen**)

[11] Der gesetzliche Verzugszinssatz gemäß §§ 288 Absatz 1, 247 Absatz 1 BGB beträgt für das Jahr fünf Prozentpunkte (sofern mindestens ein Verbraucher beteiligt ist) oder acht Prozentpunkte (sofern kein Verbraucher beteiligt ist) über dem von der Deutschen Bundesbank zum jeweiligen Zeitpunkt veröffentlichten Basiszinssatz.

ernennen und die Ernennung von Zahlstellen widerrufen. Die Ernennung bzw. der Widerruf ist gemäß § 10 mitzuteilen.

[Zusätzliche Zahlstelle zum **[**Zeitpunkt einfügen**]** ist **[**Person, die als zusätzliche Zahlstelle ernannt wurde, einfügen**].]**

(2) Sofern irgendwelche Ereignisse eintreten sollten, die die Hauptzahlstelle **[**oder eine zusätzliche Zahlstelle**]** daran hindern, ihre Aufgabe als Hauptzahlstelle **[**oder als zusätzliche Zahlstelle**]** zu erfüllen, ist die Emittentin verpflichtet, eine andere Bank von internationalem Rang als Hauptzahlstelle **[**oder als zusätzliche Zahlstelle**]** zu ernennen. Eine Übertragung der Stellung als Hauptzahlstelle **[**oder zusätzliche Zahlstelle**]** ist von der Emittentin unverzüglich gemäß § 10 mitzuteilen.

(3) Die Hauptzahlstelle **[**und die Zahlstelle**[**n**]]** [handelt][handeln] im Zusammenhang mit den Schuldverschreibungen ausschließlich als Erfüllungsgehilfen der Emittentin, [übernimmt][übernehmen] keine Verpflichtungen gegenüber den Schuldverschreibungsgläubigern und stehen in keinem Auftrags- oder Treuhandverhältnis zu diesen. Die Hauptzahlstelle **[**und die Zahlstelle**[**n**]] [**ist**] [**sind**]** von den Beschränkungen des §181 BGB befreit.

§ 6

(Steuern)

[*Falls keine Pflicht zum Steuerausgleich (Gross-up) anwendbar ist, einfügen:*

(1) Zahlungen auf die Schuldverschreibungen werden nur nach Abzug und Einbehalt gegenwärtiger oder zukünftiger Steuern, Abgaben oder staatlicher Gebühren gleich welcher Art, die unter jedwedem anwendbaren Rechtssystem oder in jedwedem Land, das die Steuerhoheit beansprucht, von oder im Namen einer Gebietskörperschaft oder Behörde des Landes, die zur Steuererhebung ermächtigt ist, auferlegt, erhoben oder eingezogen werden (die **Steuern**) geleistet, soweit ein solcher Abzug oder Einbehalt gesetzlich vorgeschrieben ist. Die Emittentin hat gegenüber den zuständigen Regierungsbehörden Rechenschaft über die abgezogenen oder einbehaltenen Steuern abzulegen.

[*Falls eine Steuerausgleichpflicht (Gross-up) anwendbar ist, einfügen:*

(2) Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Schuldverschreibungen seitens bzw. namens der Emittentin erfolgen ohne Einbehalt oder Abzug jeglicher gegenwärtiger oder künftiger Steuern oder Abgaben welcher Art auch immer, die seitens bzw. namens der Steuerjurisdiktion erhoben oder eingezogen werden, es sei denn, ein solcher Einbehalt bzw. Abzug ist gesetzlich vorgeschrieben. In letzterem Fall wird die Emittentin die notwendigen zusätzlichen Beträge zahlen, um zu gewährleisten, dass die von den Inhabern der Schuldverschreibungen erhaltenen Nettobeträge nach einem solchen Einbehalt oder Abzug den jeweiligen Beträgen von Kapital und Zinsen entsprechen, die ihnen ohne einen solchen Einbehalt oder Abzug bezüglich der Schuldverschreibungen zustehen würden, mit der Ausnahme, dass keine solchen zusätzlichen Beträge für Schuldverschreibungen gezahlt werden:

(a) die in der Tschechischen Republik zur Zahlung vorgelegt werden; oder

(b) deren Inhaber für solche Steuern oder Abgaben in Bezug auf diese Schuldverschreibung aufgrund seiner (über die bloße Inhaberschaft der Schuldverschreibung hinausgehenden) Verbindung mit der Steuerjurisdiktion haftbar ist; oder

(c) die mehr als 30 Tage nach dem Relevanten Datum (wie nachstehend definiert) zur Zahlung vorgelegt werden, außer in dem Umfang, in dem der Inhaber Anspruch auf einen zusätzlichen Betrag gehabt hätte, wenn er die Schuldverschreibung an diesem dreißigsten Tag zur Zahlung vorgelegt hätte, vorausgesetzt dieser Tag wäre ein Zahlungstag (wie in § 4 Abs. [2][3] definiert) gewesen.

(3) Unbeschadet anderslautender Bestimmungen in diesem § 6 werden keine zusätzlichen Beträge gezahlt, wenn ein solcher Einbehalt oder Abzug gemäß einer in Abschnitt 1471(b) des U.S. Internal Revenue Code of 1986 (der **Code**) beschriebenen Vereinbarung erforderlich ist oder anderweitig gemäß den Abschnitten 1471 bis 1474 des Code oder irgendwelchen Vorschriften oder Vereinbarungen darunter, deren offizieller Auslegung oder gemäß einem Gesetz zur Umsetzung einer zwischenstaatlichen Zusammenarbeit in diesem Bereich oder gemäß einer Vereinbarung zwischen den Vereinigten Staaten von Amerika und der Tschechischen Republik zur Umsetzung von FATCA oder gemäß einem Gesetz zur Umsetzung oder in Befolgung oder zwecks Einhaltung einer solchen Vereinbarung auferlegt wird.

(4) Für die Zwecke dieser Schuldverschreibungsbedingungen haben die folgenden Begriffe die ihnen nachstehend zugeordnete Bedeutung:

Steuerjurisdiktion bezeichnet die Tschechische Republik oder eine Gebietskörperschaft oder Behörde auf deren Gebiet mit der Befugnis zur Erhebung von Steuern; und

Relevantes Datum bezeichnet den Tag, an dem die betreffende Zahlung erstmals fällig wird, es sei denn, der volle zu zahlende Betrag ist an bzw. vor diesem Fälligkeitstag nicht bei der Hauptzahlstelle eingegangen, in welchem Fall das Relevante Datum der Tag ist, an dem die Schuldverschreibungsgläubiger ordnungsgemäß in Übereinstimmung mit § 10 davon verständigt wurden, dass der volle zu zahlende Betrag erhalten wurde.]

§ 7

(Rang)

(1) Unbeachtlich § 14 handelt es sich bei den Schuldverschreibungen um gemäß §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes begebene, mit Hypotheken gedeckte Schuldverschreibungen nach Maßgabe des tschechischen Rechts (*hypotební zástavní listy*).

(2) Die Schuldverschreibungen verbriefen direkte, unbedingte, nicht nachrangige und unbesicherte Verbindlichkeiten der Emittentin und sind gleichrangig sowohl untereinander als auch bezüglich aller anderen von der Emittentin begebenen Tschechischen Schuldverschreibungen, die zum jeweiligen Zeitpunkt ausstehen und von derselben Deckungsmasse Nutzen ziehen (wobei die Emittentin nach eigenem Ermessen mehrere Deckungsmassen bilden kann), sowie bezüglich aller anderen Verbindlichkeiten der Emittentin, die den Tschechischen Schuldverschreibungen gleichrangig gestellt wurden. Obschon die Schuldverschreibungen unbesicherte Verbindlichkeiten der Emittentin darstellen, sind im Falle eines etwaigen gegen die Emittentin geführten Insolvenzverfahrens besondere Regeln für die Verbindlichkeiten anwendbar, die sich aus den von der Emittentin begebenen ausstehenden Tschechischen Schuldverschreibungen ergeben.

(3) [Bei den Schuldverschreibungen handelt es sich um sog. "CRR-kompatible" Schuldverschreibungen, die den Anforderungen von § 28a Abs. 2 des Tschechischen Schuldverschreibungsgesetzes genügen und bei denen ausschließlich die CRR-Hypothekendarlehen der Emittentin verwendet werden, um den Anforderungen von § 28a Abs. 2 des Tschechischen Schuldverschreibungsgesetzes zu genügen.]

(4) Für die Zwecke dieser Schuldverschreibungsbedingungen haben die folgenden Begriffe die ihnen nachstehend zugeordnete Bedeutung:
Angepasster Wert bezeichnet, soweit die einschlägigen Gesetze nichts anderes vorsehen:

(a) für jedes Hypothekendarlehen den jeweils niedrigeren Wert der folgenden Größen:

(i) der ausstehende Nennwert des Hypothekendarlehens; und

(ii) der Wert der Beliehenen Immobilie bezüglich dieses Hypothekendarlehens;

(b) für jede PSB-Forderung und -Risikoposition: deren ausstehenden Nennwert;

(c) für Bargeld: den ausstehenden Nennwert; und

(d) für jedes Derivat: dessen tatsächlichen Wert gemäß anwendbarem Recht.

Sonderaufsichtsvertrag bezeichnet den Sonderaufsichtsvertrag vom 4. Juni 2020 zwischen der Emittentin als Emittent und Deloitte Audit s.r.o. als Sonderaufseher (der **Sonderaufseher**).

Sonderaufsichtsarbeitstag bezeichnet bezeichnet jeden Tag (außer Samstag oder Sonntag), an dem Handelsbanken und Devisenmärkte in Prag Zahlungen abwickeln oder TARGET2 für Zahlungen oder Wechselgeschäfte mit dem Euro als Ausgangs- oder Zielwährung geöffnet ist.

Sonderaufsichtsberechnungstag bezeichnet:

(a) den Ersten Sonderaufsichtsberechnungstag; und

(b) nach dem Ersten Sonderaufsichtsberechnungstag:

(i) vor dem Eintreten eines fortbestehenden Kündigungsgrundes: jährlich jedes Datum seiner alljährlichen Wiederkehr; und

(ii) nach Eintreten eines fortbestehenden Kündigungsgrundes: jedes Monatliche Datum, das zumindest einen Kalendermonat nach solchem ersten Eintreten folgt.

Bargeld bezeichnet Barforderungen der Emittentin gemäß Abschnitt 31(2)(d) des Tschechischen Schuldverschreibungsgesetzes.

Zeichnungsberechtigter bezeichnet eine Person, die ein Gesellschaftsamt bei der Emittentin bekleidet oder einer andere Person, die von der Emittentin als Zeichnungsberechtigter ernannt wurde und für die eine von der Emittentin unterzeichnete Urkunde vorgelegt wurde, in der Name und Unterschrift dieser Person aufgeführt sind und die die Zeichnungsberechtigung dieser Person bestätigt.

CNB bezeichnet die Tschechische Nationalbank.

CNB-Verordnung bezeichnet Verordnung Nr. 2/2019 Slg. der CNB vom 21.12.2018 (*Vyhláška České národní banky č. 2/2019 Sb. ze dne 21. prosince 2018*), über die Umsetzung einiger Bestimmungen des Tschechischen Schuldverschreibungsgesetzes, in der jeweils gültigen Fassung.

Vertraglicher bereinigter Saldo der Deckungsmasse bezeichnet die Summe der ausstehenden Angepassten Werte für alle Deckungsaktiva, wobei der Angepasste Wert:

(a) für das einzelne Hypothekendarlehen mit Null angesetzt wird, falls es sich beim Hypothekendarlehen um ein Notleidendes Darlehen handelt;

(b) für das einzelne Hypothekendarlehen mit Null angesetzt wird, falls das Hypothekendarlehen nicht die in § 30 Abs. 1 des Tschechischen Schuldverschreibungsgesetzes aufgeführten Bedingungen erfüllt;

(c) für das einzelne CRR-Hypothekendarlehen mit Null angesetzt wird, falls das CRR-Hypothekendarlehen nicht die anwendbaren Anforderungen der Kapitaladäquanzverordnung (CRR) erfüllt; und

(d) für das einzelne Hypothekendarlehen mit Null angesetzt wird, falls das Hypothekendarlehen im Sinne des Art. 178 der Kapitaladäquanzverordnung (CRR) überfällig ist,

wobei nicht auf tschechischen Kronen (*koruna*) lautende Deckungsaktiva zum Maßgeblichen Wechselkurs in den Gegenwert in tschechischen Kronen umgerechnet werden.

Deckungsaktiva bezeichnet die im Deckungsregister eingestellten Deckungsaktiva, die den Gesetzlichen Auswahlkriterien und den Vertraglichen Auswahlkriterien genügen (soweit auf die jeweiligen Deckungsaktiva anwendbar).

Deckungsregister bezeichnet das jeweilige Deckungsregister für jede Deckungsmasse, die von der Emittentin im Einklang mit dem Tschechischen Schuldverschreibungsgesetz und der CNB-Verordnung geführt wird.

Deckungsmasse bezeichnet einen Teil des Vermögens der Emittentin, welcher buchhalterisch separat erfasst wird und aus Aktivposten besteht, welche die relevanten Auswahlkriterien erfüllen, die in diesen Schuldverschreibungsbedingungen festgelegt sind, und die Verbindlichkeiten der Emittentin decken

sollen, welche sich aus den Tschechischen Schuldverschreibungen ergeben (wozu u.a. deren Gesamtnennwert und anteiliger Ertrag gehören).

Kapitaladäquanzverordnung (CRR) bezeichnet Verordnung Nr. 575/2013 des Europäischen Parlaments und des Rates vom 26. Juni 2013 über Aufsichtsanforderungen an Kreditinstitute und Wertpapierfirmen (in der jeweils gültigen Fassung).

CRR-Hypothekendarlehen bezeichnet die Forderungen der Emittentin aus Hypothekendarlehen gemäß Art. 129 Abs. 1 d) bis f) der Kapitaladäquanzverordnung (CRR).

CRR PSB-Forderungen bezeichnet Risikopositionen gemäß Art. 129 Abs. 1 a) oder b) der Kapitaladäquanzverordnung (CRR).

Tschechisches Bankengesetz bezeichnet das tschechische Gesetz Nr. 21/1992 Slg., in der jeweils gültigen Fassung.

Tschechisches Schuldverschreibungsgesetz bezeichnet das tschechische Gesetz Nr. 190/2004 Slg., in der jeweils gültigen Fassung.

Hypothekendarlehen gemäß SchVG-cz bezeichnet die Hypothekendarlehen der Emittentin gemäß § 31 Abs. 2 a) des Tschechischen Schuldverschreibungsgesetzes.

Tschechisches Kapitalmarktgesetz bezeichnet das tschechische Gesetz Nr. 256/2004 Slg., über Kapitalmarktgeschäfte, in der jeweils gültigen Fassung.

Tschechisches Kapitalmarktaufsichtsgesetz bezeichnet das tschechische Gesetz Nr. 15/1998 Slg., über die Aufsicht im Bereich Kapitalmärkte und die Änderung bestimmter Gesetze, in der jeweils gültigen Fassung.

Tschechische Insolvenzordnung bezeichnet das tschechische Gesetz Nr. 182/2006 Slg., über Insolvenz und die Methoden zu deren Abwicklung (Insolvenzordnung), in der jeweils gültigen Fassung.

Tschechische Schuldverschreibungen bezeichnet alle Instrumente und Wertpapiere, die von der Emittentin in der Form von mit Hypotheken gedeckten Schuldverschreibungen nach Maßgabe des tschechischen Rechts (*hypotební zástavní listy*) gemäß §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes begeben wurden, und zwar unabhängig davon, ob diese tschechischem oder Drittstaatrecht unterworfen wurden, und unabhängig davon, ob sie im Rahmen des Programms (als die hierin definierten Schuldverschreibungen), im Rahmen eines Lokalen Schuldverschreibungsprogramms, im Rahmen eines von der Emittentin erst noch aufzulegenden Programms oder als eigenständiges Produkt aufgelegt werden.

Tschechisches Vermögensbewertungsgesetz bezeichnet das tschechische Gesetz Nr. 151/1997 Slg., über Vermögensbewertung, in der jeweils gültigen Fassung.

Dealer bezeichnet UniCredit Bank AG, UniCredit Bank Czech Republic and Slovakia, a.s. sowie weitere von Zeit zu Zeit im Einklang mit dem Dealer Agreement für eine bestimmte Emission oder auf fortlaufender Basis ernannte Dealer (zusammen die **Dealer**).

Dealer Agreement bezeichnet das geänderte und neugefasste Dealer Agreement vom 24. Juni 2021 zwischen der Emittentin als Emittent, UniCredit Bank AG als Arrangeur und Dealer, und UniCredit Bank Czech Republic and Slovakia, a.s. als Dealer.

Notleidendes Darlehen bezeichnet ein beliebiges zur Deckungsmasse gehörendes Hypothekendarlehen, das mehr als 90 Tage in Verzug ist.

Derivate bezeichnet die sich aus einem Derivat ergebenden Rechte gemäß Art. 2 Ziffer 5 der Verordnung (EU) 648/2012 des Europäischen Parlaments und des Rates über OTC-Derivate, zentrale Gegenparteien und Transaktionsregister (also eines der in Ziffer 4 bis 10 in Anhang I, Abschnitt C der MiFID II-Verordnung aufgeführten Finanzinstrumente), vorausgesetzt, alle relevanten Bedingungen gemäß § 31 des Tschechischen Schuldverschreibungsgesetzes sind erfüllt;

Erster Sonderaufsichtsberechnungstag bezeichnet den 30. Juni 2020;

Ausgabetag bezeichnet einen Tag, an dem die Emittentin Schuldverschreibungen unter dem Programm begibt;

Ausgabe- und Zahlstellenvertrag bezeichnet den Vertrag über die Ausgabe- und Zahlstelle vom 24. Juni 2021 zwischen der Emittentin und Citibank, N.A., London Branch als der Hauptzahlstelle.

Lokales Schuldverschreibungsprogramm bezeichnet das (dritte, ruhende) CZK 100.000.000.000 Programm für Inlandsanleihen der Emittentin für die Begebung von (i) mit Hypotheken gedeckten Schuldverschreibungen (*hypoteční zástavní listy*) gemäß tschechischem Recht, die den Anforderungen von §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes und der Früheren CNB-Verordnung genügen (und somit die Definition der Tschechischen Schuldverschreibungen erfüllen) sowie (ii) anderen gemäß tschechischem Recht im Einklang mit dem Tschechischen Schuldverschreibungsgesetz begebenen Schuldverschreibungen, sodann das (zweite, ruhende) CZK 20.000.000.000 Programm für Inlandsanleihen der Emittentin mit ausstehenden mit Hypotheken gedeckten Schuldverschreibungen (*hypoteční zástavní listy*) gemäß tschechischem Recht, die den Anforderungen von §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes und der Früheren CNB-Verordnung genügen (und somit die Definition der Tschechischen Schuldverschreibungen erfüllen), und schließlich ein ruhendes EUR 5.000.000.000 Programm für Inlandsanleihen der Emittentin, vertreten durch ihre Niederlassung in der Slowakei, für die Begebung von (i) mit Hypotheken gedeckten Schuldverschreibungen (*hypotekárne záložné listy*) gemäß slowakischem Recht, die den Anforderungen von §§ 14 ff. des slowakischen Gesetzes Nr. 530/1990 Slg., über Schuldverschreibungen, in der jeweils gültigen Fassung (**Slowakisches Schuldverschreibungsgesetz**) genügen sowie (ii) anderen gemäß slowakischem Recht im Einklang mit dem Slowakischen Schuldverschreibungsgesetz begebenen Schuldverschreibungen.

Monatliches Datum bezeichnet den ersten Tag jedes Monats bzw. falls, dieser kein Sonderaufsichtsarbeitstag ist, den unmittelbar darauffolgenden Sonderaufsichtsarbeitstag.

Hypothekendarlehen bezeichnet die in der Deckungsmasse enthaltenen Hypothekendarlehen gemäß SchVG-cz und die CRR-Hypothekendarlehen.

Beliehene Immobilie bezeichnet in Bezug auf ein beliebiges Hypothekendarlehen eine Immobilie, die alle relevanten Voraussetzungen gemäß §§ 29 und 30 des Tschechischen Schuldverschreibungsgesetzes erfüllt und die zur Besicherung des Hypothekendarlehens verpfändet ist.

Wert der Beliehenen Immobilie bezeichnet den Gesamtwert der Beliehenen Immobilie, der von der Emittentin im Einklang mit dem anzuwendenden Recht (einschl. § 29 des Tschechischen Schuldverschreibungsgesetzes und einschl. des Tschechischen Vermögensbewertungsgesetzes) und mit den internen Regelungen der Emittentin für die Bewertung Beliehener Immobilien bestimmt wurde. Soweit die einschlägigen Rechtsvorschriften nicht anders vorsehen, wird der Wert der Beliehenen Immobilie so berechnet, dass (i) der ermittelte Betrag, falls er auf eine andere Währung als die tschechische Krone (*koruna*) lautet, zum Maßgeblichen Wechselkurs umgerechnet wird, und (ii) der auf tschechische Kronen lautende ermittelte Betrag zum jeweiligen Betrag in tschechischen Kronen angesetzt wird.

Nennwert bezeichnet die Summe der ausstehenden Hauptforderungen sowie aufgelaufener und ausstehender Zinsen in Bezug auf die Tschechischen Schuldverschreibungen, Hypothekendarlehen oder andere Schulden oder Sicherheiten, wobei der Nennwert so zu berechnen ist, dass (i) Beträge in einer anderen Währung als der tschechischen Krone (*koruna*) zum Maßgeblichen Wechselkurs umgerechnet werden, und (ii) auf tschechische Kronen lautende Beträge zum jeweiligen Betrag in tschechischen Kronen angesetzt werden.

PSB-Forderungen und -Risikopositionen bezeichnet die CRR PSB-Forderungen zusammen mit allen in § 31 Abs. 2 (b) und (c) des Tschechischen Schuldverschreibungsgesetzes genannten Forderungen.

Potenzieller Kündigungsgrund bezeichnet einen Zustand, ein Ereignis oder eine Handlung, der bzw. das bzw. die einen Kündigungsgrund darstellen würde, sobald mehr Zeit verstrichen ist bzw. falls eine Mitteilung, Bestätigung, Erklärung, Forderung und/oder Ersuchen erteilt oder übermittelt wird oder eine vergleichbare Maßnahme ergriffen wird oder eine vergleichbare Bedingung erfüllt ist.

Frühere CNB-Verordnung bezeichnet Verordnung Nr. 164/2014 Slg. der CNB vom 30. Juli 2014 (*Vyhláška České národní banky č. 164/2014 Sb., ze dne 30. července 2014*) über die Umsetzung einiger Bestimmungen des Tschechischen Schuldverschreibungsgesetzes, wie durch die CNB-Verordnung ersetzt.

Programm bezeichnet das € 7.000.000.000 Programm der Emittentin für die Begebung von Schuldverschreibungen.

Ratingagentur bezeichnet Moody's Investors Service España, S.A. sowie jeglichen Rechtsnachfolger, welcher deren Ratinggeschäft übernimmt.

Maßgeblicher Wechselkurs bezeichnet den von der Emittentin bestimmten Gegenwert in tschechischen Kronen (*koruna*) (i) anhand des Kurses, wie ihn die CNB oder eine Nachfolgerquelle für die Umrechnung der relevanten Währung(en) in tschechische Kronen für den Bankarbeitstag bereitstellt, der der jeweiligen Betragsbestimmung vorausgeht oder, (ii) falls ein solcher direkter Wechselkurs für die relevante(n) Währung(en) in tschechische Kronen nicht verfügbar ist, der (von der jeweiligen Zentralbank bereitgestellten) Kurs für die Umrechnung der relevante(n) Währungen in U.S.-Dollar oder Euro, gefolgt von der Umrechnung des betreffenden Betrags in U.S.-Dollar oder Euro in tschechische Kronen anhand des (seitens der CNB bereitgestellten) Wechselkurses für den Bankarbeitstag, der der jeweiligen Betragsbestimmung vorausgeht.

Slowakisches Bankengesetz bezeichnet das slowakische Gesetz Nr. 483/2001 Slg., über Banken, in der jeweils gültigen Fassung.

Gesetzliche Tests bezeichnet alle vom Tschechischen Schuldverschreibungsgesetz für die Emittentin vorgeschriebenen Tests (einschließlich der in Abschnitt 28a Abs. 1, 2 und 3 des Tschechischen Schuldverschreibungsgesetzes genannten Tests).

Gesetzliche Auswahlkriterien bezeichnet die im Tschechischen Schuldverschreibungsgesetz und der CNB-Verordnung (und insbesondere in Abschnitt 31 des Tschechischen Schuldverschreibungsgesetzes) enthaltenen gesetzlichen Kriterien, nach denen entschieden wird, welche Deckungsaktiva Bestandteil der Deckungsmasse sein können.

Tochterunternehmen bezeichnet bezüglich einer beliebigen Person (der **Ersten Person**) zum jeweiligen Zeitpunkt eine solche andere Person (die **Zweite Person**):

(a) deren Angelegenheiten und Unternehmenspolitik von der Ersten Person beherrscht werden bzw. beherrscht werden können, sei es im Wege einer Beteiligung, eines Vertrags, der Befugnis zur Ernennung oder Abberufung von Mitgliedern des Führungsgremiums der Zweiten Person, oder anderweitig; oder

(b) deren Jahresabschluss gemäß dem anzuwendenden Recht und den allgemein anerkannten Rechnungslegungsgrundsätzen mit dem der Ersten Person konsolidiert wird.

Transaktionsdokumente bezeichnet:

(a) die Schuldverschreibungsbedingungen;

(b) die relevante Fassung der Endgültigen Bedingungen;

(c) das Dealer Agreement; und

(d) den Ausgabe- und Zahlstellenvertrag.

(5) Soweit sich aus dem Kontext nichts Gegenteiliges ergibt, gilt, dass eine Bezugnahme in diesen Schuldverschreibungsbedingungen:

(a) auf irgendein Transaktionsdokument oder eine sonstige Vereinbarung oder ein sonstiges Instrument als Bezugnahme auf das jeweilige Transaktionsdokument bzw. die jeweilige Vereinbarung oder das jeweilige Instrument in deren allfällig geänderten, erneuerten, ergänzten, erweiterten oder neugefassten Fassung zu verstehen ist; und

(b) auf eine Gesetzesnorm oder eine gesetzliche Vorschrift als Bezugnahme auf die allfällig geänderte, ersetzte oder neugefasste Gesetzesnorm oder Vorschrift zu verstehen ist.

(6) Zur Klarstellung: Die Emittentin ist berechtigt, in Zukunft zusätzliche Deckungsmassen bezüglich der Tschechischen Schuldverschreibungen zu bilden. Ist dies der Fall, so bleiben die zum jeweiligen

Zeitpunkt ausstehenden Schuldverschreibungen von der Deckungsmasse gedeckt, die zum Ausgabetag besteht, und zwar in deren allfällig geänderten oder ergänzten Form.

§ 8

(Verpflichtungen der Emittentin)

(1) Die Emittentin verpflichtet sich, die Deckungsmasse im Einklang mit den Gesetzlichen Auswahlkriterien, den Gesetzlichen Tests und den weiteren einschlägigen Anforderungen gemäß dem Tschechischen Schuldverschreibungsgesetz und der CNB-Verordnung aufrechtzuerhalten. Die Emittentin verpflichtet sich, an jedem Sonderaufsichtsberechnungstag und an jedem Ausgabetag die vorgeschriebenen Kontrollen und Prüfungen vorzunehmen, um sicherzustellen, dass jedes in die Deckungsmasse eingebrachte Hypothekendarlehen auch weiterhin im Einklang mit den Gesetzlichen Auswahlkriterien und den Vertraglichen Auswahlkriterien (gemäß nachstehender Definition) ist. Soweit kein Einklang mit den Gesetzlichen Auswahlkriterien und den Vertraglichen Auswahlkriterien gegeben ist, wird die Emittentin Bestandteile der Deckungsmasse entsprechend ersetzen, um den Einklang mit den Gesetzlichen Auswahlkriterien und den Vertraglichen Auswahlkriterien herzustellen.

(2) Die Emittentin verpflichtet sich außerdem sicherzustellen, dass der Vertragliche Bereinigte Saldo der Deckungsmasse mindestens 110 % des ausstehenden Nennwerts der Tschechischen Schuldverschreibungen beträgt (der **Vertragliche Deckungstest**).

(3) Die Emittentin wird jeweils am Sonderaufsichtsberechnungstag und jedem Ausgabetag ihre Einhaltung der Gesetzlichen Tests und des Vertraglichen Deckungstests prüfen; soweit sie diesen nicht genügt, wird sie Ersetzungen in der Deckungsmasse vornehmen, um die Einhaltung der Gesetzlichen Tests und des Vertraglichen Deckungstests zu gewährleisten. Zur Klarstellung: Ein Verstoß gegen den Vertraglichen Deckungstest löst keinen Kündigungsgrund aus. Allerdings darf die Emittentin, solange dieser Verstoß fortbesteht, keine Tschechischen Schuldverschreibungen begeben, die aus der Deckungsmasse Nutzen ziehen.

(4) Die Emittentin verpflichtet sich, der Ratingagentur (bzw. einer anderen Ratingagentur, die eine Bewertung für die Schuldverschreibungen abgegeben hat) und dem Sonderaufseher von Zeit zu Zeit Auskünfte über den aktuellen Wert des Vertraglichen Bereinigten Saldos der Deckungsmasse zu erteilen und die Einhaltung des Vertraglichen Deckungstests durch die Emittentin zu bestätigen.

(5) Zusätzlich zu den Gesetzlichen Auswahlkriterien wird die Emittentin außerdem dafür sorgen, dass die Deckungsmasse auch die folgenden vertraglichen Auswahlkriterien erfüllt (zusammen die **Vertraglichen Auswahlkriterien**):

(a) die Hypothekendarlehen unterliegen tschechischem oder slowakischem Recht;

(b) die Beliehene Immobilie ist eine erfasste Immobilie gemäß Auszug aus dem Tschechischen Grundbuch ("Immobilienkataster" – *katastr nemovitosti*) oder dem entsprechenden Immobilienverzeichnis einer maßgeblichen Jurisdiktion;

(c) die Hypothekendarlehen wurden an eine oder mehrere natürliche Personen bzw. eine oder mehrere juristische Personen vergeben;

(d) die Hypothekendarlehen werden ordnungsgemäß bedient, und es bestehen bezüglich dieser Darlehen keine für mehr als 90 Tage ausstehenden Zahlungen;

(e) der Betrag des jeweiligen in die Deckungsmasse aufgenommenen Hypothekendarlehens ist mit einem Beleihungsauslauf (LTV) von 100 % gedeckelt;

(f) die Deckungsmasse der Emittentin enthält keine forderungsbesicherten Wertpapiere; und

(g) die Hypothekendarlehen sind weder durch Agrarflächen besichert (soweit diese Gegenstand eines separaten Grundpfandrechts sind und keinen funktionellen Bestandteil einer anderen beliehenen Immobilie darstellen) noch durch andere nicht zu Bauzwecken ausgewiesene Grundstücke.

(6) Die Emittentin verpflichtet sich außerdem für den gesamten Zeitraum, zu dem irgendwelche der Schuldverschreibungen ausstehen:

(a) die Schuldverschreibungsgläubiger (im Einklang mit § 10) und die Hauptzahlstelle unverzüglich vom Eintreten jeglichen Kündigungsgrundes in Kenntnis zu setzen;

(b) jederzeit ordnungsgemäß Buch zu führen und dafür zu sorgen, dass auch ihre Tochterunternehmen ordnungsgemäß Buch führen;

(c) ihren Sitz in der Tschechischen Republik und ihre Bankenlizenz gemäß dem Tschechischen Bankengesetz aufrechtzuerhalten, sowie sämtliche weiteren Zulassungen und Registrierungen, die für das Programm gemäß den Gesetzen und Vorschriften der Tschechischen Republik erforderlich sind (was uneingeschränkt das Tschechische Bankengesetz, das Tschechische Schuldverschreibungsgesetz, das Tschechische Kapitalmarktgesetz und das Tschechische Kapitalmarktaufsichtsgesetz einschließt), und der CNB sämtliche Dokumente zur Verfügung zu stellen, die für die Aufrechterhaltung der Zulassungen und Registrierungen erforderlich sind;

(d) in allen wesentlichen Aspekten ihre sämtlichen Pflichten gemäß den Gesetzen und Vorschriften der Tschechischen Republik (was uneingeschränkt das Tschechische Bankengesetz, das Tschechische Schuldverschreibungsgesetz, das Tschechische Kapitalmarktgesetz und das Tschechische Kapitalmarktaufsichtsgesetz einschließt) dann und so einzuhalten, wenn und wie gemäß dieser Rechtsvorschriften erforderlich; insbesondere hat die Emittentin in allen wesentlichen Aspekten ihre sämtlichen Pflichten gemäß der CNB-Verordnung und anderen Durchführungsvorschriften zum Tschechischen Schuldverschreibungsgesetz bezüglich der Schuldverschreibungen einzuhalten, was uneingeschränkt ihre Verpflichtungen betreffend die Führung des Deckungsregisters und sämtliche weiteren Dauerpflichten der Emittentin betreffend die Tschechischen Schuldverschreibungen und die Deckungsmasse einschließt;

(e) ihre sämtlichen Pflichten gemäß den Rechtsvorschriften der Slowakischen Republik (was uneingeschränkt das Slowakische Bankengesetz einschließt) dann und so einzuhalten, wenn und wie dies gemäß diesen Rechtsvorschriften für irgendwelche Hypothekendarlehen gemäß slowakischem Recht erforderlich ist, die Bestandteil der Deckungsmasse sind;

(f) in englischer Sprache sämtliche Berichte und mit Bestätigungsvermerk versehenen geprüften Jahresabschlüsse für das jeweilige Geschäftsjahr/die jeweilige Rechnungsperiode zu veröffentlichen, die die Bilanz und die Gewinn- und Verlustrechnung enthalten sollen, sowie sämtliche weiteren an Gläubiger der Emittentin ergehenden Mitteilungen, Erklärungen oder Rundschreiben, und zwar jeweils sobald als möglich nach dem Erscheinungsdatum, jedenfalls aber innerhalb von 180 Tagen nach dem Bilanzstichtag der Emittentin;

(g) zum Zeitpunkt der Veröffentlichung des Geschäftsberichts und des Jahresabschlusses gemäß vorstehendem Buchstaben (f) eine von zwei Zeichnungsberechtigten der Emittenten unterschriebene Bescheinigung zu veröffentlichen, wonach nach bestem Wissen und Gewissen der Emittentin Folgendes der Fall ist: (a) während des Zeitraums zwischen dem Abgabedatum der letzten Bescheinigung (bzw., im Falle der ersten solchen Bescheinigung, dem Datum dieser Schuldverschreibungsbedingungen) und dem Datum der Abgabe der aktuellen Bescheinigung ist die Emittentin ihren wesentlichen Verpflichtungen gemäß diesen Schuldverschreibungsbedingungen, dem Ausgabe- und Zahlstellenvertrag und den übrigen Transaktionsdokumenten nachgekommen (und falls dies nicht der Fall ist, macht die Emittentin detaillierte Angaben zu den Umständen dieser Nichteinhaltung der Verpflichtungen), und (b) unbeschadet der Allgemeingültigkeit dieses Buchstabens (g) und des vorstehenden Buchstabens (f) lag zu einem Zeitpunkt von nicht mehr als 10 Tagen vor Zustellung der Bescheinigung kein Kündigungsgrund bzw. Potenzieller Kündigungsgrund vor (und falls ein solcher Kündigungsgrund bzw. Potenzieller Kündigungsgrund vorliegt, macht die Emittentin detaillierte Angaben zu selbigem);

(h) jeden Schuldverschreibungsgläubiger auf dessen schriftlichen Wunsch hin mit sämtlichen Berichten zu versorgen, die vom Sonderaufseher gemäß dem Sonderaufsichtsvertrag erstellt wurden;

(i) keine der Bedingungen des Sonderaufsichtsvertrags anzupassen, zu ändern, zu erneuern, zu ergänzen oder aufzuheben, ausgenommen:

(i) rein verwaltungstechnische Änderungen und Korrekturen offensichtlicher Irrtümer;

(ii) notwendige Änderungen im Zuge einer Änderung von Gesetzen oder deren Auslegung, einschließlich des Tschechischen Schuldverschreibungsgesetzes und der CNB-Verordnung; oder

(iii) Änderungen, die den Interessen der Schuldverschreibungsgläubiger nicht wesentlich entgegenstehen.

§ 9

(Kündigungsgründe)

(1) Jeder Schuldverschreibungsgläubiger ist berechtigt, seine Schuldverschreibungen sofort fällig zu stellen und deren unverzügliche Rückzahlung zum Vorzeitigen Rückzahlungsbetrag zu verlangen, falls eines oder mehrere der folgenden Ereignisse (jeweils ein **Kündigungsgrund**) eintreten:

(a) Nichterfüllung irgendwelcher Zahlungsverpflichtungen der Emittentin gemäß bzw. im Zusammenhang mit den Schuldverschreibungen für einen Zeitraum von mehr als 10 (zehn) Bankarbeitstagen ab dem Tag der Fälligkeit dieser Zahlungsverpflichtungen;

(b) Die Emittentin versäumt es, irgendwelche weiteren Wesentlichen Verpflichtungen einzuhalten oder zu erfüllen, und dieser Verzug besteht unbehoben für 45 (fünfundvierzig) Kalendertage ab dem Tag fort, an dem der Emittentin eine Mitteilung seitens des Schuldverschreibungsgläubigers zugestellt wurde, in der sie aufgefordert wird, Abhilfe zu schaffen (mit Ausnahme derjenigen Fälle, in denen der Verzug wegen seiner Wesensart nicht behoben werden kann, und in denen deshalb weder Fortbestand noch Aufforderung zur Abhilfe erforderlich sind, um den Kündigungsgrund zu begründen);

(c) Für die Zwecke des vorstehenden Buchstabens (b) sind unter **Wesentlichen Verpflichtungen** jegliche wesentliche Verpflichtungen der Emittentin gemäß den Schuldverschreibungsbedingungen und gemäß Sonderaufsichtsvertrag zu verstehen. Zur Klarstellung: Ein Verstoß gegen den Vertraglichen Deckungstest für die Zwecke des vorstehenden Buchstabens (b) würde keinen Verstoß gegen Wesentliche Verpflichtungen darstellen; oder

(d) Die Emittentin erfüllt die Gesetzlichen Tests für einen Zeitraum von mehr als drei Monaten nicht.

Zur Klarstellung: Ein Verstoß gegen den Vertraglichen Deckungstest löst keinen Kündigungsgrund aus. Allerdings darf die Emittentin solange dieser Verstoß fortbesteht, keine Tschechischen Schuldverschreibungen begeben, die aus der Deckungsmasse Nutzen ziehen.

Das Recht zur Fälligstellung der Schuldverschreibungen erlischt, falls der fragliche Kündigungsgrund behoben wurde, bevor es zur Ausübung des Rechts kam.

(2) Die Mitteilung der Fälligstellung von Schuldverschreibungen gemäß vorstehendem Abs. 1 soll in Textform seitens des Schuldverschreibungsgläubigers an die Hauptzahlstelle erfolgen, die persönlich oder per Einschreiben zuzustellen ist und einen hinreichend stichhaltigen Nachweis enthalten muss, dass der Schuldverschreibungsgläubiger zum Zeitpunkt der Mitteilung Inhaber der relevanten Schuldverschreibungen ist. Die Schuldverschreibungen werden zum Zeitpunkt des Erhalts der Mitteilung

durch die Hauptzahlstelle fällig. Die Hauptzahlstelle wird die Mitteilung ohne weitere Prüfung umgehend an die Emittentin weiterleiten.

§ 10

(Mitteilungen)

[Im Fall von börsennotierten *Schuldverschreibungen* einfügen:

(1) Mitteilungen

[*Wenn Mitteilungen nicht durch elektronische Veröffentlichung auf der Homepage der maßgeblichen Börse bewirkt werden dürfen, einfügen:*

Alle Mitteilungen in Bezug auf die Schuldverschreibungen sind im Bundesanzeiger zu veröffentlichen **[**und**]**

[*Wenn die Veröffentlichung daneben in einem Börsenpflichtblatt zu machen ist*:, soweit gesetzlich erforderlich in einem Börsenpflichtblatt. Dies ist voraussichtlich die **[***Name des Börsenpflichtblatts einfügen***]**.**]** **[**Ist die Veröffentlichung in dieser Zeitung nicht mehr möglich, werden die Mitteilungen in einem anderen Börsenpflichtblatt gemacht.**]**

Jede Mitteilung gilt am dritten Tage nach dem Veröffentlichungsdatum (oder, wenn sie mehrmals veröffentlicht wird, am dritten Tage nach der ersten Veröffentlichung) als bewirkt.**]**

[*Wenn Mitteilungen durch elektronische Veröffentlichung auf der Homepage der maßgeblichen Börse bewirkt werden dürfen, einfügen:*

Alle Mitteilungen in Bezug auf die Schuldverschreibungen werden **[**zusätzlich**]** durch elektronische Veröffentlichung auf der Homepage der **[***maßgebliche Börse***]** (www.[*Internetadresse einfügen***]**). Jede Mitteilung gilt am dritten Tage nach dem Veröffentlichungsdatum (oder, wenn sie mehrmals veröffentlicht wird, am dritten Tage nach der ersten Veröffentlichung) als bewirkt.**]]**

[(2)**]** *Mitteilungen an das Clearingsystem*.

[*Im Fall von nicht börsennotierten Schuldverschreibungen einfügen*:

Die Emittentin übermittelt alle Mitteilungen in Bezug auf die Schuldverschreibungen dem Clearingsystem zur Weiterleitung durch das Clearingsystem an die Schuldverschreibungsgläubiger. Jede solche Mitteilung gilt am vierten **[**TARGET2**]** **[**Londoner**]** **[***anderes Finanzzentrum einfügen***]** Bankarbeitstag nach dem Tag der Übermittlung der Mitteilung an das Clearingsystem als an die Schuldverschreibungsgläubiger bewirkt.**]**

[*Im Fall von börsennotierten Schuldverschreibungen einfügen*:

Anstelle der in Absatz (1) erwähnten Veröffentlichung in einem Börsenpflichtblatt darf die Emittentin die jeweilige Mitteilung an das Clearingsystem zur Weiterleitung an die Schuldverschreibungsgläubiger übermitteln, sofern das Regelwerk der Börse, an der die Schuldverschreibungen notiert sind, diese Form der Mitteilung gestattet. Jede solche Mitteilung gilt am vierten **[**TARGET2**]** **[**Londoner**]** **[***anderes Finanzzentrum einfügen***]** Bankarbeitstag nach dem Tag der Übermittlung der Mitteilung an das Clearingsystem als an die Schuldverschreibungsgläubiger bewirkt.**]**

[*Im Fall von TARGET2 Bankarbeitstag einfügen:* **TARGET2 Bankarbeitstag** ist ein Tag (außer einem Samstag oder Sonntag), an dem TARGET2 betriebsbereit ist.**]**

[*Im Fall von nicht-TARGET2 Bankarbeitstagen:* **[Londoner] [***anderes Finanzzentrum einfügen***] Bankarbeitstag** bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in **[**London**] [***anderes Finanzzentrum einfügen***]** für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.**]]**

§ 11

(Rückerwerb)

Die Emittentin ist berechtigt, jederzeit Schuldverschreibungen am Markt oder auf sonstige Weise und zu jedem beliebigen Preis zurückzukaufen. Von der Emittentin zurückgekaufte Schuldverschreibungen können nach Ermessen der Emittentin von der Emittentin gehalten, erneut verkauft oder der Hauptzahlstelle zur Entwertung übermittelt werden.

§ 12

(Vorlegungsfrist)

Die in § 801 Absatz (1) Satz 1 BGB vorgesehene Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

§ 13

(Teilunwirksamkeit)

Sollte eine Bestimmung dieser Schuldverschreibungsbedingungen ganz oder teilweise unwirksam oder undurchführbar sein oder werden, so bleiben die übrigen Bestimmungen davon unberührt. Eine in Folge Unwirksamkeit oder Undurchführbarkeit dieser Schuldverschreibungsbedingungen entstehende Lücke ist durch eine dem Sinn und Zweck dieser Schuldverschreibungsbedingungen und den Interessen der Parteien entsprechende Regelung auszufüllen.

§ 14

(Anwendbares Recht, Gerichtsstand, Sprache)

(1) Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Emittentin und der Schuldverschreibungsgläubiger unterliegen dem Recht der Bundesrepublik Deutschland.

(2) Obschon die Schuldverschreibungen ansonsten dem Recht der Bundesrepublik Deutschland unterliegen und nach diesem auszulegen sind, ziehen sie Nutzen aus den einschlägigen Bestimmungen des Tschechischen Schuldverschreibungsgesetzes, der CNB-Verordnung, der Tschechischen Insolvenzordnung und weiteren Bestimmungen des tschechischen Rechts, die auf die Tschechischen Schuldverschreibungen anwendbar oder anderweitig für diese von Relevanz sind. Deshalb müssen die Schuldverschreibungen die Anforderungen der §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes erfüllen und die Deckungsmasse und ihre Verwaltung unterliegen tschechischem Recht. Außerdem finden im Falle eines Insolvenzverfahrens gegen die Emittentin § 375 der Tschechischen Insolvenzordnung sowie weitere einschlägige Bestimmungen der Tschechischen Insolvenzordnung Anwendung auf die Schuldverschreibungen und die Deckungsmasse.

(3) In Bezug auf in der Deckungsmasse enthaltene Hypothekendarlehen nach slowakischem Recht unterliegt die Deckungsmasse denjenigen Rechtsvorschriften des Slowakischen Bankengesetzes und anderer slowakischer Gesetze, die auf slowakische Hypothekendarlehen anwendbar bzw. für diese relevant sind, und genießt den sich aus diesen Vorschriften ergebenden Schutz.

(4) Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den in diesen Schuldverschreibungsbedingungen geregelten Angelegenheiten ist, soweit gesetzlich zulässig, München.

[*Falls die Anleihebedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, einfügen:*

(5) Diese Schuldverschreibungsbedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.**]**

[*Falls die Anleihebedingungen in englischer Sprache mit einer Übersetzung in die deutsche Sprache abgefasst sind, einfügen:*

(5) Diese Schuldverschreibungsbedingungen sind in englischer Sprache abgefasst. Eine Übersetzung in die deutsche Sprache ist beigefügt. Der englische Text ist bindend und maßgeblich. Die Übersetzung in die deutsche Sprache ist unverbindlich.]

[*Falls die Anleihebedingungen nur in deutscher Sprache abgefasst sind, einfügen:*

(5) Diese Schuldverschreibungsbedingungen sind ausschließlich in deutscher Sprache abgefasst.**]**

§ 15

(Änderungen der Schuldverschreibungsbedingungen)

(1) §§ 5 ff. des (bundesdeutschen) Gesetzes über Schuldverschreibungen aus Gesamtemissionen (**SchVG**) finden auf die Schuldverschreibungen Anwendung. Von daher ist die Emittentin berechtigt, diese Schuldverschreibungsbedingungen mit der im Wege eines Mehrheitsbeschlusses erteilten Einwilligung der Schuldverschreibungsgläubiger zu ändern.

(2) Die Schuldverschreibungsgläubiger können im Wege eines Mehrheitsbeschlusses insbesondere Folgendem zustimmen:

(a) Änderung des Fälligkeitsdatums für den Zinszahltag, die Minderung oder Aufhebung des Zinses;

(b) Änderung des Fälligkeitsdatums für die Zahlung des Kapitalbetrags;

(c) Minderung der des Kapitalbetrags;

(d) Nachrangigstellung der sich aus den Schuldverschreibungen ergebenden Forderungen in einem gegen die Emittentin geführten Insolvenzverfahren;

(e) die Umwandlung bzw. der Austausch der Schuldverschreibungen gegen Aktien oder andere Wertpapiere oder Obligationen;

(f) Wechsel bzw. Freigabe von Sicherheiten;

(g) Änderung der Währung der Schuldverschreibungen;

(h) Verzicht auf bzw. Einschränkung der Kündigungsrechte, die sich für die Schuldverschreibungsgläubiger aus den Schuldverschreibungen ergeben;

(i) Änderung oder Aufhebung von Nebenbestimmungen der Schuldverschreibungen; und

(j) Bestellung oder Abberufung eines gemeinsamen Vertreters für die Schuldverschreibungsgläubiger.

Ein Mehrheitsbeschluss kann nicht dazu verwendet werden, irgendwelchen Schuldverschreibungsgläubigern eine Zahlungsverpflichtung oder sonstige Leistungspflichten aufzuerlegen.

(3) Die Schuldverschreibungsgläubiger verabschieden ihre Beschlüsse im Wege einer Abstimmung [in einer Gläubigerversammlung][ohne Versammlung gemäß § 18 SchVG].

Die Versammlung der Schuldverschreibungsgläubiger wird von der Emittentin oder vom Gemeinsamen Vertreter (gemäß der Definition in nachstehender Ziffer 8) einberufen. Gemäß § 9 Abs. 1 erster Satz

SchVG i. Verb. m. § 18 SchVG gilt, dass die Versammlung der Schuldverschreibungsgläubiger einberufen werden muss, falls Schuldverschreibungsgläubiger, die zusammen Schuldverschreibungen in einem Wert von 5 % des ausstehenden Kapitalbetrags der Schuldverschreibungen schriftlich hierum nachsuchen, unter Benennung einer der in § 9 Abs. 1 erster Satz SchVG aufgeführten Gründe.

(4) Beschlüsse der Schuldverschreibungsgläubiger werden, vorbehaltlich des nachstehenden Satzes und solange Beschlussfähigkeit gegeben ist, durch eine einfache Mehrheit von Stimmen der stimmberechtigten Schuldverschreibungsgläubiger gefasst.

Für die Verabschiedung von Beschlüssen in den Fällen gemäß § 15 Abs. 2 (a) bis (i) bedarf es einer Mehrheit von mindestens 75 % der Stimmen der stimmberechtigten Schuldverschreibungsgläubiger.

(5) Die an der Abstimmung teilnehmenden Schuldverschreibungsgläubiger geben ihre Stimmen gemäß der Höhe des Kapitalbetrags bzw. ihres rechnerischen Anteils an den ausstehenden Schuldverschreibungen ab. Solange die Berechtigung aus den Schuldverschreibungen bei der Emittentin oder irgendeinem ihrer verbundenen Unternehmen liegt bzw. auf Rechnung der Emittentin oder ihres verbundenen Unternehmens gehalten wird (§ 271 Abs. 2 des Handelsgesetzbuchs), ruht das Stimmrecht in Bezug auf solche Schuldverschreibungen. Die Emittentin ist nicht berechtigt, die mit solchen ruhenden Stimmrechten verbundenen Schuldverschreibungen auf einen Dritten zu übertragen, um die Ausübung der Stimmrechte anstelle der Emittentin zu ermöglichen; dies gilt auch für alle verbundenen Unternehmen der Emittentin. Niemand ist berechtigt, ein solches Stimmrecht für den im dritten Satz (erster Halbsatz) weiter oben beschriebenen Zweck auszuüben.

(6) Bindende Wirkung: Mehrheitsbeschlüsse sind für alle Schuldverschreibungsgläubiger verbindlich. Beschlüsse, die nicht für identische Bedingungen für alle Schuldverschreibungsgläubiger sorgen, sind nichtig, es sei denn, die benachteiligten Schuldverschreibungsgläubiger haben dieser nachteiligen Behandlung ausdrücklich zugestimmt.

(7) Schuldverschreibungsgläubiger müssen ihre Berechtigung zur Teilnahme an Abstimmungen zum Zeitpunkt der Abstimmung nachweisen, und zwar durch eine besondere Bescheinigung seitens der Depotstelle (wie nachstehend definiert) und durch Vorlage einer Weisung zur Sperrung seitens der Depotstelle zugunsten der Hauptzahlstelle für den Zeitraum der Abstimmung.

Die von der Depotstelle erteilte Bescheinigung muss

(a) den vollständigen Namen und die Adresse des Schuldverschreibungsgläubigers bezeichnen;

(b) den Gesamtkapitalbetrag der Schuldverschreibungen bezeichnen, der dem Wertpapierkonto zum Zeitpunkt der Erteilung der Bescheinigung gutgeschrieben ist; und

(c) bestätigen, dass die Depotstelle dem Clearingsystem und der Hauptzahlstelle schriftlich die Informationen gemäß (a) und (b) übermittelt hat, sowie Bestätigungen seitens des Clearingsystems.

Depotstelle bezeichnet eine Bank oder ein sonstiges anerkanntes Kreditinstitut, die bzw. das zur geschäftsmäßigen Wertpapierverwahrung berechtigt ist und bei der bzw. bei dem der Schuldverschreibungsgläubiger ein Wertpapierkonto betreffend die Schuldverschreibungen unterhält, einschließlich des Clearingsystems.

(8) Die Schuldverschreibungsgläubiger können im Wege eines Mehrheitsbeschlusses einen gemeinsamen Vertreter (den **Gemeinsamen Vertreter**) bestellen, der dann die Rechte der Schuldverschreibungsgläubiger namens jedes einzelnen Schuldverschreibungsgläubigers ausübt. Jede geschäftsfähige natürliche Person oder qualifizierte juristische Person kann als Gemeinsamer Vertreter tätig werden. Jede Person, die:

(a) Mitglied des Verwaltungsrats, Aufsichtsrats, Vorstands oder eines vergleichbaren Gesellschaftsgremiums der Emittentin oder irgendeiner ihrer verbundenen Unternehmen ist oder dort ein Gesellschaftsamt bekleidet oder als Arbeitnehmer beschäftigt ist;

(b) eine Beteiligung von mindestens 20 % am Aktienkapital der Emittentin oder irgendeiner ihrer verbundenen Unternehmen hält;

(c) Finanzgläubiger der Emittentin oder irgendeiner ihrer verbundenen Unternehmen ist, mit einer Forderung, deren Betrag mindestens 20 % der ausstehenden Schuldverschreibungen entspricht, oder bei einem solchen Finanzgläubiger als Mitglied eines Gesellschaftsgremiums, in leitender oder verantwortlicher Position oder als Arbeitnehmer beschäftigt ist; oder

(d) aufgrund einer besonderen persönlichen Beziehung zu irgendeiner der unter (i) bis (iii) genannten Personen der Kontrolle durch eine solche Person unterworfen ist;

muss die maßgeblichen Umstände den Schuldverschreibungsgläubigern gegenüber offenlegen, bevor er als Gemeinsamer Vertreter bestellt wird. Treten solche Umstände nach der Ernennung zum Gemeinsamen Vertreter ein, so wird der Gemeinsame Vertreter die Schuldverschreibungsgläubiger unverzüglich in angemessener Form hiervon unterrichten.

(9) Dem Gemeinsamen Vertreter kommen die Pflichten und Kompetenzen zu, die ihm das Gesetz oder die Schuldverschreibungsgläubiger per Mehrheitsbeschluss einräumen. Der Gemeinsame Vertreter hat sich nach den Weisungen der Schuldverschreibungsgläubiger zu richten. Insoweit als der Gemeinsame Vertreter bevollmächtigt wurde, bestimmte Rechte der Schuldverschreibungsgläubiger geltend zu machen, sind die Schuldverschreibungsgläubiger nicht berechtigt, diese Rechte selbst in Anspruch zu nehmen, es sei denn, der betreffende Mehrheitsbeschluss sieht dies ausdrücklich vor. Der Gemeinsame Vertreter hat den Schuldverschreibungsgläubigern Bericht über seine Tätigkeiten zu erstatten.

(10) Der Gemeinsame Vertreter haftet den Schuldverschreibungsgläubigern gegenüber in deren Eigenschaft als Gesamtgläubiger für die Erfüllung seiner Pflichten, derer er sich mit der Sorgfalt eines ordentlichen Geschäftsleiters auszuüben hat. [*Falls der Beschluss der Schuldverschreibungsgläubiger eine Beschränkung der Haftung des Gemeinsamen Vertreters vorsieht, einfügen*: Die Haftung des Gemeinsamen Vertreters kann im Wege eines von den Schuldverschreibungsgläubigern verabschiedeten Beschlusses beschränkt werden.][*Falls die Haftung des Gemeinsamen Vertreters auf einen festen Betrag beschränkt ist, einfügen:* Die Haftung des Gemeinsamen Vertreters ist auf einen Betrag des [[*Betrag einfügen*] -fachen seiner Jahresvergütung] [*Betrag einfügen*] beschränkt.] Die Schuldverschreibungsgläubiger entscheiden über die Geltendmachung von Schadensersatzansprüchen seitens der Schuldverschreibungsgläubiger gegenüber dem Gemeinsamen Vertreter.

(11) Der Gemeinsame Vertreter kann von den Schuldverschreibungsgläubigern jederzeit auch ohne Angabe von Gründen von seinem Amt enthoben werden. Der Gemeinsame Vertreter kann bei der Emittentin um sämtliche Auskünfte nachsuchen, die für die Erfüllung seiner Aufgaben erforderlich sind. Die Emittentin kommt für die Kosten und Aufwendungen auf, die mit der Ernennung des Gemeinsamen Vertreters verbunden sind, und zwar einschließlich der angemessenen Vergütung des Gemeinsamen Vertreters.

III. TERMS AND CONDITIONS OF THE MORTGAGE COVERED BONDS (ENGLISH LANGUAGE VERSION)

Option I: Terms and Conditions of Fixed Rate Mortgage Covered Bonds

§ 1

(Series, Form of Mortgage Covered Bonds, Issuance of Additional Mortgage Covered Bonds)

(1) This Tranche of the series (the **Series**) of Mortgage Covered Bonds (in Czech, *hypoteční zástavní listy*) (the **Mortgage Covered Bonds**) of UniCredit Bank Czech Republic and Slovakia, a.s. (the **Issuer**) is being issued on **[***insert Issue Date***]** (the **Issue Date**) in bearer form pursuant to these terms and conditions (the **Terms and Conditions**) in **[***insert Specified Currency***]** (the **Specified Currency**) in the aggregate principal amount of **[***insert Aggregate Principal Amount***]** (the **Aggregate Principal Amount**) in the denomination of **[***insert Specified Denomination***]** (the **Specified Denomination**).

[*In the case of a Temporary Global Note, which is exchanged for a Permanent Global Note, insert:*

(2) The Mortgage Covered Bonds are initially represented by a temporary global note (the **Temporary Global Note**) without interest coupons. The Temporary Global Note will be exchanged for a permanent global note in bearer form (the **Permanent Global Note**, and, together with the Temporary Global Note, the **Global Notes** and each a **Global Note**) on or after the 40th day after the Issue Date (the **Exchange Date**) only upon delivery of certifications, to the effect that the beneficial owner or owners of the Mortgage Covered Bonds represented by the Temporary Global Note is not a U.S. person or are not U.S. persons (other than certain financial institutions or certain persons holding the Mortgage Covered Bonds through such financial institutions) (the **Non-U.S. Beneficial Ownership Certificates**). **[***If Clearstream, Luxembourg and Euroclear are specified as Clearing System, the following applies:* The details of such exchange shall be entered into the records of the ICSDs (as defined below).**]**

The holders of the Mortgage Covered Bonds (the **Mortgage Covered Bondholders**) are not entitled to receive definitive Mortgage Covered Bonds. The Mortgage Covered Bonds as co-ownership interests in the Global Notes may be transferred pursuant to the relevant regulations of the Clearing System. The right to receive interest is represented by the Permanent Global Note.

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

The Global Notes bear the manual or facsimile signatures of two authorised representatives of the Issuer as well as the manual signature of a control officer of the Principal Paying Agent (as defined in § 5 below).**]**

[*In the case of a Permanent Global Note from the Issue Date, insert:*

(3) The Mortgage Covered Bonds are represented by a Permanent Global Note (the **Permanent Global Note** or **Global Note**) without interest coupons, which bears the manual or facsimile signatures of two Authorised Signatories of the Issuer as well as the manual signature of a control officer of the Principal Paying Agent (as defined in § 5 below). The holders of the Mortgage Covered Bonds (the **Mortgage Covered Bondholders**) are not entitled to receive definitive Mortgage Covered Bonds. The Mortgage Covered Bonds as co-ownership interests in the Global Note may be transferred pursuant to the relevant regulations of the Clearing System. The right to receive interest is represented by the Global Note.**]**

(4) Each Global Note will be kept in custody by or on behalf of a Clearing System. **Clearing System** means [Clearstream Banking société anonyme, Luxembourg (**Clearstream, Luxembourg**) and Euroclear Bank SA/NV (**Euroclear**).**]** **[**Clearstream Banking AG, Frankfurt (**CBF**).**]** **[**(Clearstream, Luxembourg and

Euroclear are individually referred to as an **ICSD** (*International Central Securities Depositary*) and, collectively, the **ICSDs)]**.

[*In the case of Euroclear and Clearstream, Luxembourg and if the Temporary Global Note or the Permanent Global Note is not a New Global Note, insert:*

(5) The Mortgage Covered Bonds are issued in classical global note form and are kept in custody by a common depositary on behalf of both ICSDs.]

[*In the case of Euroclear and Clearstream, Luxembourg and if the Temporary Global Note or the Permanent Global Note is a New Global Note, insert:*

(6) The Mortgage Covered Bonds are issued in new global note form and are kept in custody by a common safekeeper (the **Common Safekeeper**) on behalf of both ICSDs. The principal amount of the Mortgage Covered Bonds represented by the Global Note shall be the aggregate amount entered into the records of both ICSDs from time to time. The records of the ICSDs (which each ICSD holds for its customers reflecting the amount of such customer's interest in the Mortgage Covered Bonds) shall be conclusive evidence of the principal amount of the Mortgage Covered Bonds represented by the Global Note and, for these purposes, a statement issued by an ICSD stating the principal amount of the Mortgage Covered Bonds so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or payment of interest or purchase and cancellation of any of the Mortgage Covered Bonds represented by the Global Note details of such redemption, interest payment or purchase and cancellation (as the case may be) in respect of the Global Note, shall be entered *pro rata* into the records of the ICSDs and, upon any such entry being made, the principal amount of the Mortgage Covered Bonds reflected in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate principal amount of the Mortgage Covered Bonds so redeemed or purchased and cancelled. **[***If the Mortgage Covered Bonds may be partially redeemed on the basis of an optional redemption right, insert:* For technical procedure of the ICSDs, in the case of the exercise of an optional redemption (as defined in § 3) relating to a partial redemption, the outstanding Redemption Amount (as defined below) will be reflected in the records of the ICSDs as either a nominal reduction or as a pool factor, at the reasonable discretion of the ICSDs pursuant to § 317 BGB.**]**

[(4)**][**(5)**]** The Issuer reserves the right from time to time without the consent of the Mortgage Covered Bondholders to issue additional Mortgage Covered Bonds with identical terms, so that the same shall be consolidated and form a single series with the Series comprising the Mortgage Covered Bonds. The term "*Mortgage Covered Bonds* shall, in the event of such increase, also comprise all additionally issued Mortgage Covered Bonds.

§ 2

(Interest)

(1) The Mortgage Covered Bonds shall bear interest on their outstanding Aggregate Principal Amount from **[***insert Interest Commencement Date***]** (the **Interest Commencement Date**) (including) to the Maturity Date (as defined in § 3 (1) below) (excluding) at the Interest Rate *per annum*. The respective Interest Amount shall, subject to an adjustment in accordance with the business day convention **[***If adjustment (as specified in § 4) is applicable, insert*: or an adjustment**]** pursuant to § 4 (**[**2**][**3**]**), be payable in arrear on each Interest Payment Date pursuant to the provisions in § 4 (1). The first payment of interest shall, subject to adjustment pursuant to § 4 (**[**2**][**3**]**), be made on [**[***insert first Interest Payment Date***] [***In the case of a first short/long coupon, insert:* and will amount to **[***Initial Broken Amount per Specified Denomination***]** per Specified Denomination**]**. **[***Initial Broken Amount per Aggregate Principal Amount***]** per Aggregate Principal Amount**] [***In the case of a last short/long coupon, insert:* Interest in respect of the period from **[***insert Interest Payment Date preceding the Maturity Date***]** (inclusive) to the Maturity Date (exclusive) will amount to [**[***Final Broken Amount per Specified Denomination***]** per Specified

Denomination] [**[***Final Broken Amount per Aggregate Principal Amount***]** per Aggregate Principal Amount**].]**

Interest Period means each period from the Interest Commencement Date (including) to the first Interest Payment Date (excluding) and from each Interest Payment Date (including) to the following Interest Payment Date (excluding) respectively.

(2) **Interest Rate** means

[*In the case of Mortgage Covered Bonds other than Step-up or Step-down Mortgage Covered Bonds, insert:*

[insert interest rate in per cent. per annum**]**.

Interest Payment Date means the **[***insert Interest Payment Date(s)***]** **[**of each year**]** and the Maturity Date.**]**

[*In the case of step- up or step-down Mortgage Covered Bonds, insert:*

in respect of each Interest Payment Date, the percentage relating to the relevant Interest Payment Date as set out in the column "Interest Rate" of the table below.

Interest Payment Date(s) means each date which is set out under the column "Interest Payment Date" in the following table:

Interest Payment Date	**Interest Rate**
[*first Interest Payment Date*]	[*interest rate*]
[*For each further Interest Payment Date, insert*: [*insert Interest Payment Date*]	[*interest rate*]]
Maturity Date	[*interest rate*]]

(3) The calculation of the Interest Amount (the **Interest Amount**) occurs by multiplying the product of the Interest Rate and the Day Count Fraction with [each Specified Denomination] **[**the Aggregate Principal Amount**]**.

[*If the Extended Maturity Date with respect to the Mortgage Covered Bonds applies, insert:*

(4) If the maturity of the Mortgage Covered Bonds is extended beyond the Maturity Date in accordance with § 3[(3)][(4)][(5)], the Mortgage Covered Bonds shall bear interest from (and including) the Maturity Date to (but excluding) the earlier of the relevant Interest Payment Date after the Maturity Date on which the Mortgage Covered Bonds are redeemed in full or the Extended Maturity Date, subject to § 2(1). In that event, interest shall be payable on those Mortgage Covered Bonds at the rate determined in accordance with § 2(5) on the principal amount outstanding of the Mortgage Covered Bonds in arrear on the Interest Payment Date in each month after the Maturity Date in respect of the Interest Period ending immediately prior to the relevant Interest Payment Date. The final Interest Payment Date shall fall no later than the Extended Maturity Date.

(5) If the maturity of the Mortgage Covered Bonds is extended beyond the Maturity Date in accordance with § 3[(3)][(4)][(5)], the rate of interest payable from time to time in respect of the principal amount outstanding of the Mortgage Covered Bonds on each Interest Payment Date after the Maturity Date in respect of the Interest Period ending immediately prior to the relevant Interest Payment Date will be [*insert percentage*] and, where applicable, determined by the Principal Paying Agent two Banking Days

after the Maturity Date in respect of the first such Interest Period and thereafter [*insert Interest Payment Date(s)*] [of each month / specify other] up to and including the Extended Maturity Date.

(6) §§2(4) to 2(6) shall only apply if the Issuer fails to redeem the Mortgage Covered Bonds (in full) on the Maturity Date (or within two Banking Days thereafter) and the maturity of those Mortgage Covered Bonds shall be automatically extended up to the Extended Maturity Date in accordance with § 3[(3)][(4)][(5)] .**]**

(7) **Day Count Fraction** means, in respect of the calculation of an amount of interest on any Mortgage Covered Bond for any period of time (the **Calculation Period**)

[*In the case of Actual / Actual (ICMA), insert:*

[*If the Calculation Period is equal to or shorter than the Interest Period during which it falls, insert:*

the number of days in the Calculation Period divided by the product of (1) the number of days in the Interest Period in which the Calculation Period falls and (2) the number of Interest Periods normally ending in any year.**]**

[*If the Calculation Period is longer than one Interest Period, insert:*

the sum of:

(a) the number of days in such Calculation Period falling in the Interest Period in which it begins divided by the product of (1) the number of days in such Interest Period and (2) the number of Interest Periods in a year; and

(b) the number of days in such Calculation Period falling in the next Interest Period divided by the product of (1) the number of days in such Interest Period and (2) the number of Interest Periods in a year.**]**

[*In the case of a short first or last Calculation Period, insert:*

for the purposes of determining the relevant Interest Period only, **[***insert Fictive Interest Payment Date***]** shall be deemed to be an Interest Payment Date.**]**

[*In the case of a long first or last Calculation Period, insert:*

for the purposes of determining the relevant Interest Period only, **[***insert Fictive Interest Payment Date***]** shall each be deemed to be an Interest Payment Date.**]]**

[*In the case of 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).**]**

[*In the case of Actual / 365 (Fixed), insert:*

the actual number of days in the Calculation Period divided by 365.**]**

[*In the case of Actual / 360, insert:*

the actual number of days in the Calculation Period divided by 360.**]**

[*In the case of 30/360, 360/360 or Bond Basis in accordance with ISDA 2000 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 (A) 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 (B) 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).**]**

[*In the case of 30/360, 360/360 or Bond Basis in accordance with ISDA 2006, insert:*

the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

Y_1 is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y_2 is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M_1 is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M_2 is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

D_1 is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

D_2 is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30.**]]**

[*In the case of 30E/360 or Eurobond Basis in accordance with ISDA 2000 (German interest calculation method) insert:*

the number of days in the Calculation Period divided by 360 with 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).**]**

[*In the case of 30E/360 or Eurobond Basis in accordance with ISDA 2006, insert:*

the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

Y_1 is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y_2 is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M_1 is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M_2 is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

D_1 is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

D_2 is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30.**]]**

[*If 30E/360 (ISDA) (only, if ISDA 2006 Definitions shall be applicable (German interest calculation method)) insert:*

the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

Y_1 is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y_2 is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M_1 is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M_2 is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

D_1 is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

D_2 is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 and, in which case D_2 will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period.**]**

§ 3

(Maturity, Redemption Amount [, Redemption for tax reasons, Redemption due to illegality or invalidity, Optional Redemption at the Option of the Issuer (Call Option), Extended Maturity Date)]

(1) The Mortgage Covered Bonds shall be redeemed on **[***insert Maturity Date***]** (the **Maturity Date**) at their Specified Denomination (the **Redemption Amount**) [*if an Extended Maturity Date is applicable, insert*:,

subject to an extension of the maturity of the Mortgage Covered Bonds to [*insert Extended Maturity Date*] (the **Extended Maturity Date**) as provided in § 3[(3)][(4)][(5)] below].

[*In the case of redemption for tax reasons, insert:*

(2) The Mortgage Covered Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than [*insert minimum numbers of days*] and not more than [*insert maximum numbers of days*] days' notice to the Principal Paying Agent and, in accordance with § 10, the Mortgage Covered Bondholders (which notice shall be irrevocable), if:

(a) on the occasion of the next payment due under the Mortgage Covered Bonds, the Issuer has or will become obliged to pay additional amounts as provided or referred to in § 6 as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in § 6) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Mortgage Covered Bonds; and

(b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Mortgage Covered Bonds then due.

Prior to the publication of any notice of redemption pursuant to this § 3(2), the Issuer shall deliver to the Principal Paying Agent to make available at its specified office to the Mortgage Covered Bondholders (i) a certificate signed by two Authorised Signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment, in which event it shall be conclusive and binding on the Mortgage Covered Bondholders. The Principal Paying Agent is not responsible, nor shall it incur any liability, for monitoring or ascertaining as to whether any certifications and/or opinions required by this § 3(2) are provided, nor shall it be required to review, check or analyse any certifications and/or opinions produced nor shall it be responsible for contents of any such certifications and/or opinions or incur any liability in the event the content of such certifications and/or opinions or incur any liability in the event the content of such certification and/or opinions is inaccurate or incorrect. The Mortgage Covered Bonds redeemed pursuant to this § 3(2) will be redeemed at their Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption.]

[(2)][(3)] The Mortgage Covered Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than [*insert minimum numbers of days*] and not more than [*insert maximum numbers of days*] days' notice to the Principal Paying Agent and, in accordance with § 10, all Mortgage Covered Bondholders (which notice shall be irrevocable), if it has, or will, before the next Interest Payment Date of any Mortgage Covered Bond, become unlawful for the Issuer to allow to remain outstanding any Mortgage Covered Bonds as a result of any change in, or amendment to, the applicable laws or regulations or any change in the application or official interpretation of such laws or regulations, which change or amendment has become or will become effective before the next such Interest Payment Date.

Prior to the publication of any notice of redemption pursuant to this § 3[(2)][(3)], the Issuer delivers to the Principal Paying Agent to make available at its specified office to the Mortgage Covered Bondholders a certificate signed by two Authorised Signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred. The Principal Paying Agent is not responsible, nor shall it incur any liability, for monitoring or ascertaining as to whether any certifications required by this § 3[(2)][(3)] are provided, nor shall it be required to review, check or analyse any certifications produced nor shall it be responsible for contents of any such certifications or incur any liability in the event the content of such certifications or incur any liability in the event the content of such certification is inaccurate or incorrect. Mortgage Covered Bonds redeemed pursuant to this § 3[(2)][(3)] will be redeemed at their

Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption.

[*In the case of optional redemption at the option of the Issuer (Call-Option), insert:*

[(3)][(4)] The Issuer may on **[***insert Call Date(s)***] [**of each year, commencing on **[***insert date***]]** (**[**the**][**each such date a**] Call Date**) redeem the Mortgage Covered Bonds in whole **[**or in part**]**. The Issuer will give notice of such redemption at least **[***insert number (at least 5 Banking Days)***][**Banking Days (as defined in § 4 **[**(2)**][**(3)**]** below)**[**months**]** prior to the **[**relevant**]** Call Date pursuant to § 8. Such notice shall be irrevocable and shall specify the **[**relevant**]** Call Date. The Mortgage Covered Bonds will be redeemed at the **[**relevant**]** Call Date at the Optional Redemption Amount together with any interest accrued until the Call Date pursuant to the provisions in § 4.

The Optional Redemption Amount (the **Optional Redemption Amount**) [per Mortgage Covered Bond] [of the Mortgage Covered Bonds] shall be **[**its Specified Denomination**]** [their Aggregate Principal Amount**] [**as follows:

[Call Date(s)	Optional Redemption Amount(s)
[*insert Call Date(s)*]	[*insert Optional Redemption Amount(s) which may not be lower than the principal amount/issue price*]]]

[*If the Extended Maturity Date with respect to the Mortgage Covered Bonds applies, insert:*

[(3)][(4)][(5)] If the Issuer fails to redeem all of those Mortgage Covered Bonds in full on the Maturity Date or within two Banking Days thereafter, the maturity of the Mortgage Covered Bonds and the date on which such Mortgage Covered Bonds will be due and repayable for the purposes of these Terms and Conditions will be automatically extended up to (and including) the Extended Maturity Date. In that event, the Issuer may redeem all or any part of the principal amount outstanding of the Mortgage Covered Bonds on an Interest Payment Date falling in any month after the Maturity Date up to and including the Extended Maturity Date.

[(4)][(5)][(6)] The Issuer shall give to the Mortgage Covered Bondholders (in accordance with § 10) and the Principal Paying Agent, notice as to whether or not it intends to redeem all or any of the principal amount outstanding of the Mortgage Covered Bonds in full at least five Banking Days prior to the Maturity Date or the relevant Interest Payment Date. Any failure by the Issuer to notify such person shall not affect the validity or effectiveness of any extension of the maturity of the Mortgage Covered Bonds to the Extended Maturity Date. The Principal Paying Agent will notify the Clearing System of the notification (if any) given by the Issuer promptly upon such receipt (and in any event by no later than three Banking Days prior to the Maturity Date of the Mortgage Covered Bonds). For the avoidance of doubt, if the Principal Paying Agent has not received a notice from the Issuer in accordance with this § 3[(4)][(5)][(6)], the Principal Paying Agent shall endeavour to notify the Clearing System that the relevant Mortgage Covered Bonds will not be redeemed on the Maturity Date and/or the relevant Interest Payment Date, as the case may be.

[(5)][(6)][(7)] Any extension of the maturity of Mortgage Covered Bonds under § 3[(3)][(4)][(5)] shall be irrevocable. Where § 3[(3)][(4)][(5)] applies, any failure to redeem the Mortgage Covered Bonds on the Maturity Date (except where the Issuer has given notice in accordance with § 3[(4)][(5)][(6)] that it will redeem the Mortgage Covered Bonds) or any extension of the maturity of Mortgage Covered Bonds to the Extended Maturity Date under § 3[(3)][(4)][(5)] shall not constitute an event of default for any purpose or give any Mortgage Covered Bondholder any right to receive any payment of interest, principal or otherwise on the relevant Mortgage Covered Bonds other than as expressly set out in these Terms and Conditions.

[(6)][(7)][(8)] [In the event of the extension of the maturity of Mortgage Covered Bonds under § 3[(3)][(4)][(5)], interest rates, interest periods and interest payment dates on the Mortgage Covered

Bonds from (and including) the Maturity Date to (but excluding) the Extended Maturity Date shall be determined and made in accordance with §§ 2(4) to 2(6) and [*specify other*].]

[(7)][(8)][(9)] If the Issuer redeems part and not all of the principal amount outstanding of Mortgage Covered Bonds on an Interest Payment Date falling in any month after the Maturity Date, the redemption proceeds shall be applied rateably across the Mortgage Covered Bonds and the principal amount outstanding on the Mortgage Covered Bonds shall be reduced by the level of that redemption.

[(8)][(9)][(10)] For so long as any of those Mortgage Covered Bonds remains in issue, the Issuer shall not issue any further Czech Mortgage Covered Bonds, unless the proceeds of issue of such further Czech Mortgage Covered Bonds are applied by the Issuer on issue in redeeming in whole or in part the relevant Mortgage Covered Bonds in accordance with the terms hereof.

[(9)][(10)][(11)] §§ 3[(3)][(4)][(5)] to 3[(9)][(10)][(11)] shall only apply to Mortgage Covered Bonds if the Issuer fails to redeem those Mortgage Covered Bonds in full on the Maturity Date (or within two Banking Days thereafter).]

§ 4

(Payments)

(1) The Issuer undertakes

(a) to pay the Interest Amount on each Interest Payment Date and

(b) to pay the Redemption Amount on the Maturity Date**[**.**]** **[**or**]**

[*In the case of an Optional Redemption Amount, insert:*

(c) to pay the Optional Redemption Amount on the Call Date **[**including any interest accrued until the Call Date [.] [or]**]**

[*In the case of a redemption pursuant to § 3(2)), insert:*

(d) to pay the Redemption Amount on the date of redemption determined pursuant to § 3(2) including any interest accrued until such date of redemption [.] **[**or**]**]

[*In the case of a redemption pursuant to § 3[(2)][(3)], insert:*

(e) to pay the Redemption Amount on the date of redemption determined pursuant to § 3[(2)][(3)] including any interest accrued until such date of redemption [.]]

The amounts mentioned in this paragraph (1) and all further amounts payable under these Terms and Conditions shall be rounded **[***If the Specified Currency is Euro, insert:* up or down to the nearest 0.01 Euro, with 0.005 Euro being rounded **[**upwards**][**always downwards**]]** **[***If the Specified Currency is not Euro, insert*: up or down to the smallest unit of the Specified Currency, with 0.5 of such unit being rounded **[**upwards**][**always downwards**]**.

[*In the case of dual currency Mortgage Covered Bonds, insert:*

(2) The payment of the Redemption Amount**[**,**][**and**]** the Interest Amount(s)**[**,**][**and**]** **[**the Optional Redemption Amount**]** will be settled in **[***insert currency***]**.

[The conversion of the amounts payable in [*insert currency*] is effected by using the Settlement Rate on the Rate Calculation Date applicable to the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**]** **[**the Optional Redemption Amount**]**, respectively.

Settlement Rate means [the "[*insert first exchange rate*]" multiplied by the "[*insert second exchange rate*]"] [*insert conversion rate*] on the applicable Rate Calculation Date.

"**[***insert first exchange rate*]" means the **[***insert sponsor*]'s (a **Fixing Sponsor**) published **[***insert relevant rate*] spot rate (a **Spot Rate**) (expressed as a number of [*insert currency*] per [one][●] [*insert currency*])

which appears on Reuters Screen page "[*insert page*]" at approximately [*insert time*] [*insert other time zone*]) on the applicable Rate Calculation Date.

"**[***insert second exchange rate*]" means **[***insert sponsor*]'s (a **Fixing Sponsor**) published **[***insert relevant rate*] spot rate (a **Spot Rate**) (expressed as a number of [*insert currency*] per [one][●] [*insert currency*]) which appears on Reuters Screen page "[*insert page*]" at approximately [*insert time*] [*insert time zone*]) on the applicable Rate Calculation Date.

Rate Calculation Date means the [second] [*insert day*] Bank Working Day prior to the payment of the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**] [**the Optional Redemption Amount**]**, respectively, in accordance with the Business Day Convention.

[Bank Working Day means [TARGET2][, [*insert financial centre*] [and [*insert financial centre*]].]

Market Disruption means:

(a) the failure to publish any of the Spot Rates by the relevant Fixing Sponsor,

(b) the suspension or restriction in foreign exchange trading for at least one of the relevant currencies quoted as a part of the Settlement Rate (including options or futures contracts) or the restriction of the convertibility of the currencies quoted in such exchange rate or the effective impossibility of obtaining a quotation of such exchange rate, or

(c) any other events the commercial effects of which are similar to the events listed above

to the extent that the above-mentioned events in the opinion of the Issuer are material.

If a Market Disruption occurs on any Rate Calculation Date as specified above, such Rate Calculation Date shall be postponed to the next following Bank Working Day prior to the payment of the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**] [**the Optional Redemption Amount**]**, respectively.

If the Market Disruption continues after such day the last available Settlement Rate before the occurrence of the Market Disruption shall be taken for calculation of the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**] [**the Optional Redemption Amount**]**, respectively.

In the event that any of the Spot Rates is no longer determined and published by a Fixing Sponsor but by another person, company or institution (the **Replacement Fixing Sponsor**), the Issuer may determine the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**] [**the Optional Redemption Amount**]**, respectively, on the basis of the Settlement Rate as calculated and published by the Replacement Fixing Sponsor. In case of election of a Replacement Fixing Sponsor, each and every reference to the Fixing Sponsor, depending on the context, shall be deemed to refer to the Replacement Fixing Sponsor.

In the event that any of the Spot Rates is no longer determined and published, the Issuer may determine the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**] [**the Optional Redemption Amount**]**, respectively, on the basis of another Settlement Rate (the **Replacement Exchange Rate**) as calculated and published by the relevant Fixing Sponsor or Replacement Fixing Sponsor, as the case may be. In case of election of a Replacement Exchange Rate, each and every reference to the Settlement Rate, depending on the context, shall be deemed to refer to the Replacement Exchange Rate.

Should the Issuer come to the conclusion that

(a) a replacement of any Fixing Sponsor is not available;

(b) a replacement of the Settlement Rate is not available; or

(c) due to the occurrence of special circumstances or force majeur such as catastrophes, war, terror, insurgency, restrictions on payment transactions, entering of the currency used for the calculation of the relevant Spot Rate into the European Monetary Union and other circumstances having a comparable impact on the Settlement Rate the reliable determination of the Settlement Rate is impossible or impracticable,

the Issuer will determine the Settlement Rate in its own reasonable discretion pursuant to the German Civil Code (*Bürgerliches Gesetzbuch "BGB"*).**]**

[The conversion of the amounts payable in **[**Euro**]** [●] is effected [●].**]** **[**At least **[**EUR**]** [●] **[**0.001**]** [●] [per Specified Denomination] **[**for the Aggregate Principal Amount**]** will be paid.**]]**

([2**][**3**])** If the due date for any payment under the Mortgage Covered Bonds (the **Payment Date**) is not a Banking Day then

[*In the case of Following Business Day Convention, insert:*

the Mortgage Covered Bondholders shall not be entitled to payment until the next following Banking Day.**]**

[*In the case of Modified Following Business Day Convention, insert:*

the Mortgage Covered Bondholders shall not be entitled to payment until the next following Banking Day unless it would thereby fall into the next calendar month in which event the payment shall be made on the immediately preceding Banking Day.**]**

[*In the case of Preceding Business Day Convention, insert:*

the Mortgage Covered Bondholders shall be entitled to payment on the immediately preceding Banking Day.**]**

[*For any Business Day Convention, if no adjustment is effected, insert:*

the Mortgage Covered Bondholders shall not be entitled to further interest or other payments in respect of such delay.**]**

[*For any Business Day Convention, if an adjustment is effected, insert:*

In the event that the maturity of a payment is **[**brought forward**][**or**][**postponed**]** as described above, such Payment Date and the respective Interest Amount will be adjusted accordingly.**]**

Banking Day means each day (other than a Saturday or Sunday) on which the Clearing System **[***If the Specified Currency is Euro or if TARGET2 is needed for other reasons, insert*: and TARGET2**]** **[**is**]** **[**are**]** open for business **[***If the Specified Currency is not Euro or if needed for other reasons, insert*: and commercial banks and foreign exchange markets settle payments in **[***insert all relevant financial centres***]**.

[*If TARGET2 applies, insert:* **TARGET2** means the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2).**]**

(3) All payments shall be made to the Principal Paying Agent (as defined in § 5). The Principal Paying Agent shall pay the amounts due to the Clearing System for credit to the respective accounts of the depository banks for transfer to the Mortgage Covered Bondholders. The payment to the Clearing System shall discharge the Issuer from its obligations under the Mortgage Covered Bonds in the amount of such payment.

(4) If the Issuer fails to make any payment under the Mortgage Covered Bonds when due, accrual of interest on due amounts continues on the basis of the default interest rate established by law[12]. Such accrual of

[12] The default rate of interest pursuant to §§ 288 paragraph 1, 247 paragraph 1 of the German Civil Code (BGB) is five percentage points (if at least one consumer is involved) or eight percentage points (if no consumer is involved) above the basic rate of interest published by the German Central Bank (Deutsche Bundesbank) from time to time.

interest starts on the due date of that payment (including) and ends at the end of the day preceding the effective date of payment (excluding).

[*In the case of a Temporary Global Note, insert:*

(5) Payments of interest on the Mortgage Covered Bonds represented by a Temporary Global Note shall be made only upon delivery of the Non-U.S. Beneficial Ownership Certificates (as described in § 1) by the relevant participants to the Clearing System.**]**

§ 5

(Principal Paying Agent, Paying Agent[, Calculation Agent])

(1) The Principal Paying Agent is [Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom] **[***insert other entity appointed as Principal Paying Agent***]** (the **Principal Paying Agent**). The Issuer may appoint additional paying agents (the **Paying Agents**) and revoke such appointment. The appointment and revocation shall be published pursuant to § 10.

[Additional paying agent as of **[***insert date***]** is **[***insert entity appointed as additional paying agent***].]**

[(2) The Calculation Agent is **[**Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom**] [***insert other entity appointed as Calculation Agent***]** (the **Calculation Agent**).**]**

(**[**2**][**3**]**) Should any event occur which results in the Principal Paying Agent **[**or Calculation Agent**] [**or any additional Paying Agent**]** being unable to continue in its function as Principal Paying Agent **[**or Calculation Agent**] [**or any additional Paying Agent**]**, the Issuer is obliged to appoint another bank of international standing as Principal Paying Agent **[**or as additional 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**] [**or any additional Paying Agent**]** shall be notified promptly by the Issuer pursuant to § 10.

(**[**3**][**4**]**) In connection with the Mortgage Covered Bonds, the Principal Paying Agent **[**and the Paying Agent**[**s**]] [**and the Calculation Agent**]** act solely as agents of the Issuer and do**[**es**]** not assume any obligations towards or relationship of agency or trust for or with any of the Mortgage Covered Bondholders. The Principal Paying Agent **[**and the Paying Agent[s]**] [**and the Calculation Agent**]** shall be exempt from the restrictions of § 181 German Civil Code.

(**[**4**][**5**]**) Determinations made by the Calculation Agent, will, in the absence of manifest error, be conclusive and binding on the Issuer and the Mortgage Covered Bondholders.

§ 6

(Taxes)

[*If a tax gross-up obligation does not apply, insert:*

(1) Payments in respect of the Mortgage Covered Bonds shall only be made after deduction and withholding of current or future taxes, levies or governmental charges, regardless of their nature, which are imposed, levied or collected (the **Taxes**) under any applicable system of law or in any country which claims fiscal jurisdiction by or for the account of any political subdivision thereof or government agency therein authorised to levy Taxes, to the extent that such deduction or withholding is required by law. The Issuer shall account for the deducted or withheld Taxes with the competent government agencies.]

[*If a tax gross-up obligation applies, insert:*

(2) All payments of principal and interest in respect of the Mortgage Covered Bonds by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Mortgage Covered Bonds after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Mortgage Covered Bonds, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Mortgage Covered Bond:

(a) presented for payment in the Czech Republic; or

(b) the holder of which is liable for such taxes or duties in respect of such Mortgage Covered Bond by reason of his having some connection with the Tax Jurisdiction other than the mere holding of such Mortgage Covered Bond; or

(c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in § 4([2][3])).

(3) Notwithstanding anything to the contrary in this § 6, no additional amounts will be paid where such withholding or deduction is required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretation thereof or law implementing an intergovernmental approach thereto or an agreement between the United States of America and the Czech Republic to implement FATCA or any law implementing or complying with, or introduced in order to conform to, such agreement.

(4) As used herein:

Tax Jurisdiction means the Czech Republic or any political subdivision or any authority thereof or therein having power to tax; and

Relevant Date means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent, as the case may be, on or prior to such due date, it means the date on which the full amount of such moneys having been so received, notice to that effect is duly given to the Mortgage Covered Bondholders in accordance with § 10.]

§ 7

(Status)

(1) Notwithstanding § 14, the Mortgage Covered Bonds are mortgage covered bonds (in Czech, *hypoteční zástavní listy*) issued in accordance with Section 28 *et seq.,* Part 2, Clause III of the Czech Bonds Act.

(2) The Mortgage Covered Bonds are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and with all other Czech Mortgage Covered Bonds issued by the Issuer, then outstanding and benefiting from the same Cover Pool (the Issuer may, at its sole discretion, create multiple Cover Pools) and with other obligations of the Issuer that have been provided the same priority as the Czech Mortgage Covered Bonds. Although the Mortgage Covered Bonds constitute unsecured obligations of the Issuer, in any insolvency proceedings against the Issuer, a special

regime applies in respect of the obligations arising from the outstanding Czech Mortgage Covered Bonds issued by the Issuer.

(3) [The Mortgage Covered Bonds are "CRR Compliant" Mortgage Covered Bonds complying with requirements of Section 28c(2) of the Czech Bonds Act and solely using the Issuer's CRR Mortgage Loans in order to fulfil the requirements of Section 28a(2) of the Czech Bonds Act.]

(4) In these Terms and Conditions:

Adjusted Value means, unless required by the applicable laws otherwise, for:

(a) each Mortgage Loan, the lower of:

(i) the outstanding Nominal Value of such Mortgage Loan; and

(ii) the Mortgaged Property Value related to such Mortgage Loan;

(b) each PSB's Receivables and Exposures its outstanding Nominal Value;

(c) the Cash, its outstanding Nominal Value; and

(d) each Derivative, its real value determined pursuant to the applicable law.

Asset Monitor Agreement means the asset monitor agreement dated 4 June 2020 and entered into by and between the Issuer as issuer and Deloitte Audit s.r.o. as asset monitor (the **Asset Monitor**).

Asset Monitor Business Day means each day (other than a Saturday or Sunday) on which the commercial banks and foreign exchange markets settle payments in Prague, or in relation to payments in or conversions to or from euros, TARGET2 is open for business.

Asset Monitor Calculation Date means:

(a) the First Asset Monitor Calculation Date; and

(b) following the First Asset Monitor Calculation Date:

(i) prior to the occurrence of an Event of Default which is continuing, yearly each day of annual anniversary of the First Asset Monitor Calculation Date; and

(ii) following the occurrence of an Event of Default which is continuing, each Monthly Date falling at least one calendar month after the first such occurrence.

Authorised Signatory means an officer of the Issuer or such other person appointed by the Issuer to act as authorised signatory and in respect of whom a certificate has been provided, signed by the Issuer setting out the name and signature of that person and confirming such person's authority to sign.

Cash means cash receivables of the Issuer pursuant to Section 31(2)(d) of the Czech Bonds Act.

CNB means the Czech National Bank.

CNB Decree means the Decree of the CNB No. 2/2019 Coll. of 21 December 2018 (in Czech, *Vyhláška České národní banky č. 2/2019 Sb. ze dne 21. prosince 2018*) implementing certain provisions of the Czech Bonds Act, as amended.

Contractual Adjusted Aggregate Cover Pool Balance means the sum of the outstanding Adjusted Values of all Cover Assets, where the Adjusted Value is, for:

(a) each Mortgage Loan, deemed to be zero if such Mortgage Loan is a Defaulted Loan;

(b) each Mortgage Loan deemed to be zero if such Mortgage Loan does not fulfil requirements set out in Section 30(1) of the Czech Bonds Act;

(c) each CRR Mortgage Loan deemed to be zero if such CRR Mortgage Loan does not fulfil the applicable CRR requirements; and

(d) each Mortgage Loan deemed to be zero if such Mortgage Loan is in default pursuant to Article 178 of CRR,

and when any Cover Asset is not denominated in Czech Koruna such balance shall be converted to its equivalent in Czech Koruna at the Relevant Exchange Rate.

Cover Assets means the assets registered in the Cover Assets Register satisfying the Statutory Eligibility Criteria and the Contractual Eligibility Criteria (if applicable for the particular Cover Asset).

Cover Assets Register means a Cover Assets register for each Cover Pool maintained by the Issuer in accordance with the Czech Bonds Act and the CNB Decree.

Cover Pool means a part of the assets of the Issuer, which is recorded separately and which is composed of assets satisfying the relevant eligibility criteria set out in these Terms and Conditions to cover the obligations of the Issuer arising from the Czech Mortgage Covered Bonds (including, among other things, their aggregate nominal value and proportionate yield).

CRR means Regulation No. 575/2013 of the European Parliament and the Council of 26 June 2013, on Prudential Requirements for Credit Institutions and Investment Firms, as amended.

CRR Mortgage Loans mean the issuer's mortgage loan receivables pursuant to Article 129(1)(d)-(f) of the CRR.

CRR PSB's Receivables mean exposures pursuant to Article 129(1)(a) or (b) of the CRR.

Czech Banking Act means Czech Act No. 21/1992 Coll. on Banks, as amended.

Czech Bonds Act means the Czech Act No. 190/2004 Coll., on Bonds, as amended.

Czech Bonds Act Mortgage Loans mean the Issuer's mortgage loan receivables pursuant to Section 31(2)(a) of the Czech Bonds Act.

Czech Capital Markets Act means the Czech Act No. 256/2004 Coll., on Conducting Business in the Capital Market, as amended.

Czech Capital Markets Supervision Act means the Czech Act No. 15/1998 Coll., on Supervision in the Capital Market Area and Amendment of Certain Other Acts, as amended.

Czech Insolvency Act means the Czech Act No. 182/2006 Coll., on Insolvency and Method of its Resolution (Insolvency Act), as amended.

Czech Mortgage Covered Bonds means all instruments and securities issued by the Issuer as mortgage covered bonds (in Czech, *hypoteční zástavní listy*) pursuant to Section 28 *et seq.,* Part 2, Clause III of the Czech Bonds Act, whether issued under and governed by Czech or foreign law and whether issued under the Programme (as the Mortgage Covered Bonds), under the Local Bond Programme, under a programme yet to be established by the Issuer or on a standalone basis, which are then outstanding.

Czech Property Valuation Act means the Act No. 151/1997 Coll., on property valuation, as amended.

Dealer means UniCredit Bank AG, UniCredit Bank Czech Republic and Slovakia, a.s. and any other dealers appointed from time to time in accordance with the Dealer Agreement, which appointment may be for a specific issue or on an ongoing basis (together the **Dealers**).

Dealer Agreement means the amended and restated dealer agreement dated 24 June 2021 and entered into between the Issuer as issuer, UniCredit Bank AG as arranger and dealer and UniCredit Bank Czech Republic and Slovakia, a.s. as dealer.

Defaulted Loan means any Mortgage Loan included in the Cover Pool which is more than 90 days in arrears.

Derivatives mean rights arising out of a derivative in accordance with Section 2 point 5 of the Regulation (EU) No 648/2012 of the European Parliament and of the Council, on OTC derivatives, central counterparties and trade repositories (i.e. a financial instrument as set out in points (4) to (10) of Section C of Annex I to MiFID II), provided that all the relevant conditions set out in Section 31 of the Czech Bonds Act are met.

First Asset Monitor Calculation Date means 30 June 2020.

Issue Date means a date on which the Issuer issues Mortgage Covered Bonds under the Programme;

Issuing and Paying Agency Agreement means the amended and restated issuing and paying agency agreement dated 24 June 2021 between the Issuer as issuer and Citibank, N.A., London Branch as principal paying agent.

Local Bond Programmes means the (third) CZK100,000,000,000 domestic bond programme of the Issuer for the issuance of both (i) mortgage covered bonds (in Czech, *hypoteční zástavní listy*) under Czech law which satisfy the requirements of Section 28 *et seq.,* Part 2, Clause III of the Czech Bonds Act and the Previous CNB Decree (and thus falling within the definition of the Czech Mortgage Covered Bonds) and (ii) other bonds issued under Czech law in accordance with the Czech Bonds Act, the (second, inactive) CZK 20,000,000,000 domestic bond programme with outstanding mortgage covered bonds (in Czech, *hypoteční zástavní listy*) under Czech law which satisfy the requirements of Section 28 *et seq*., Part 2, Clause III of the Czech Bonds Act and the Previous CNB Decree (and thus falling within the definition of the Czech Mortgage Covered Bonds) and an inactive EUR5,000,000,000 domestic bond programme of the Issuer, acting through its branch in Slovakia, for the issuance of (i) mortgage covered bonds (in Slovak, *hypotekárne záložné listy*) under Slovak law which satisfy the requirements of Section 14 *et seq.* of the Slovak Act No. 530/1990 Coll., on Bonds, as amended (the **Slovak Bonds Act**) and (ii) other bonds issued under Slovak law in accordance with the Slovak Bonds Act.

Monthly Date means the first day of each month (or if such day is not an Asset Monitor Business Day, then the immediately following Asset Monitor Business Day).

Mortgage Loans mean the Czech Bonds Act Mortgage Loans and the CRR Mortgage Loans included in the Cover Pool.

Mortgaged Property means in relation to any Mortgage Loan, the real property pledged to secure the Mortgage Loan fulfilling all the relevant conditions set out in Sections 29 and 30 of the Czech Bonds Act.

Mortgaged Property Value means the total value of all the Mortgaged Property as determined by the Issuer in accordance with applicable laws (including Section 29 of the Czech Bonds Act and the Czech Property Valuation Act) and the Issuer's internal rules for valuation of the Mortgaged Property. Unless required by the applicable laws otherwise, the Mortgaged Property Value shall be calculated in relation to any amount which is denominated in (i) a currency other than Czech Koruna, the Czech Koruna equivalent of such amount ascertained using the Relevant Exchange Rate relating to such amounts as at the relevant date and (ii) Czech Koruna, the applicable amount in Czech Koruna.

Nominal Value means the sum of the outstanding principal balances and any accrued and unpaid interest relating to the Czech Mortgage Covered Bonds, Mortgage Loans or any other debt or security as the case may be, calculated in relation to any amount which is denominated in (i) a currency other than Czech Koruna, by applying the Relevant Exchange Rate relating to such amounts and (ii) Czech Koruna, the applicable amount in Czech Koruna.

Potential Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute an Event of Default.

Previous CNB Decree means Decree of the CNB No. 164/2014 Coll. of 30 July 2014 (in Czech, *Vyhláška České národní banky č. 164/2014 Sb., ze dne 30. července 2014*) implementing certain provisions of the Czech Bonds Act, as replaced by the CNB Decree.

Programme means the €7,000,000,000 Mortgage Covered Bond Programme of the Issuer.

PSB's Receivables and Exposures mean CRR PSB's Receivables together with all receivables set out in Section 31(2)(b) and (c) of the Czech Bonds Act.

Rating Agency means Moody's Investors Service España, S.A. and includes any successor to its rating business.

Relevant Exchange Rate means the equivalent in Czech Koruna determined by the Issuer (i) at the rate available from the Czech National Bank or any successor source for the conversion of the relevant currency or currencies into Czech Koruna on the Banking Day before the relevant determination or, (ii) if no such direct exchange rate of the relevant currency or currencies to the Czech Koruna is available, the Issuer will use for conversions into Czech Koruna the exchange rate of the relevant currency or currencies (as available from the relevant central bank) to the U.S. dollar or the EUR and subsequently converting such amount in U.S. dollars or EUR pursuant to the valid U.S. dollar or EUR exchange rate to the Czech Koruna (as available from the Czech National Bank) on the Banking Day before the relevant determination.

Slovak Banking Act means Slovak Act No. 483/2001 Coll. on Banks, as amended.

Statutory Tests means all the mandatory statutory tests required by the applicable law or regulations to be fulfilled by the Issuer in respect of the Mortgage Covered Bonds or the Cover Pool, in particular the Czech Bonds Act, including those set out in Section 28a(1), (2) and (3) of the Czech Bonds Act.

Statutory Eligibility Criteria means the statutory eligibility criteria for Cover Assets included in the Cover Pool as set out in the applicable law or regulations, including the Czech Bonds Act and the CNB Decree, in particular Section 31 of the Czech Bonds Act.

Subsidiary means in relation to any person (the **First Person**) at any particular time, any other person (the **Second Person**):

(a) whose affairs and policies the First Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the Second Person or otherwise; or

(b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the First Person.

Transaction Documents means:

(a) the Terms and Conditions;

(b) the relevant set of the Final Terms;

(c) the Dealer Agreement; and

(d) the Issuing and Paying Agency Agreement.

(5) Unless a contrary indication appears, a reference in these Terms and Conditions to:

(a) any Transaction Document or any other agreement or instrument is a reference to that Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated; and

(b) a legal act or provision of law is a reference to that legal act or provision of law as amended, replaced or re-enacted.

(6) For the avoidance of any doubt, the Issuer is authorised to establish any additional Cover Pools in respect of Czech Mortgage Covered Bonds in the future. In such case, the then outstanding Mortgage Covered Bonds will remain covered by the Cover Pool existing on the Issue Date, as the same may be amended or supplemented from time to time.

§ 8

(Issuer Undertakings)

(1) The Issuer covenants to maintain the Cover Pool in accordance with the Statutory Eligibility Criteria, the Statutory Tests and other relevant requirements set out in the applicable law or regulations, including the Czech Bonds Act and the CNB Decree. The Issuer covenants that it will perform such checks and reviews as are required on each Asset Monitor Calculation Date and on each Issue Date to ensure that each Mortgage Loan included in the Cover Pool remains in compliance with the Statutory Eligibility Criteria and the Contractual Eligibility Criteria (as defined below). To the extent that it is not in compliance with the Statutory Eligibility Criteria or the Contractual Eligibility Criteria it will make such substitutions in the Cover Pool as are necessary to ensure compliance with the Statutory Eligibility Criteria and the Contractual Eligibility Criteria.

(2) The Issuer also covenants to ensure that the Contractual Adjusted Aggregate Cover Pool Balance is an amount at least equal to 110 per cent. of the outstanding Nominal Value of the Czech Mortgage Covered Bonds (the **Contractual Asset Cover Test**).

(3) The Issuer will check that it complies with the Statutory Tests and the Contractual Asset Cover Test on each Asset Monitor Calculation Date and on each Issue Date and, to the extent that it is not in compliance, it will make such substitutions in the Cover Pool as are necessary to ensure compliance with the Statutory Tests and the Contractual Asset Cover Test. For the avoidance of doubt, a breach of the Contractual Asset Cover Test will not result in an Event of Default. However, whilst such breach is continuing the Issuer shall not issue any Czech Covered Bonds, which have the benefit of the Issuer's Cover Pool.

(4) The Issuer covenants that it will provide from time to time to the Rating Agency (or another rating agency which has rated the Mortgage Covered Bonds) and the Asset Monitor information on the current value of the Contractual Adjusted Aggregate Cover Pool Balance and will confirm compliance by the Issuer with the Contractual Asset Cover Test.

(5) In addition to the Statutory Eligibility Criteria, the Issuer covenants to ensure that the Cover Pool meets the following contractual eligibility criteria to (collectively the **Contractual Eligibility Criteria**):

(a) the Mortgage Loans are governed by Czech or Slovak law;

(b) the Mortgaged Property is real property, as evidenced by an extract from the Czech real estate register (in Czech, *katastr nemovitostí*) or the respective land registry in the relevant jurisdiction;

(c) the Mortgage Loans have been granted to one or more individuals or one or more legal entities;

(d) the Mortgage Loans are performing and there are no payments in respect of such loans that are due and unpaid for more than 90 days;

(e) the Mortgage Loan amount included in the Cover Pool is capped at a maximum loan to value ratio of 100 per cent.;

(f) the Issuer's Cover Pool does not contain any asset-backed securities; and

(g) the Mortgage Loans are not collateralised by agricultural land (where such agricultural land is subject to a separate mortgage and does not form a functional part of other mortgaged property) or other land not designated for construction purposes.

(6) The Issuer also covenants that, as long as any of the Mortgage Covered Bonds remains outstanding, it will:

(a) give notice to the Mortgage Covered Bondholders (in accordance with § 10) and to the Principal Paying Agent immediately on the occurrence of any Event of Default;

(b) at all times keep and procure that its Subsidiaries keep, proper books of account;

(c) maintain, at all times, its registered office in the Czech Republic and its authorisation under the Czech Banking Act to carry out its activity as a bank as well as all other authorisations and registrations required for the Programme under the laws and regulations of the Czech Republic (including, without limitation, the Czech Banking Act, the Czech Bonds Act, the Czech Capital Market Act and the Czech Capital Markets Supervision Act) and it shall furnish the CNB with any and all documents that may be necessary in order to maintain such authorisations or registrations;

(d) comply in all material respects with all of its obligations under the laws and regulations of the Czech Republic (including, without limitation, the Czech Banking Act, the Czech Bonds Act, the Czech Capital Market Act and the Czech Capital Markets Supervision Act) at such time and in such manner as required by such laws and regulations and, in particular, it shall comply in all material respects with all of its obligations under the CNB Decree and any other measure implementing the Czech Bonds Act in respect of mortgage covered bonds (in Czech, *hypoteční zástavní listy*), including, but not limited to, its obligations relating to administration of the Cover Assets Register and any other ongoing obligations of the Issuer in respect of the Czech Covered Bonds and the Cover Pool);

(e) comply in all material respects with all of its obligations under the laws and regulations of the Slovak Republic (including, without limitation, the Slovak Banking Act) at such time and in such manner as required by such laws and regulations in respect of any Mortgage Loan governed by Slovak law comprised in the Cover Pool;

(f) publish, as soon as practicable after the time of issue thereof and in any event not later than 180 days after the last day of each financial period of the Issuer, in the English language of each report and audited accounts for the relevant financial year/financial period (as appropriate) containing a balance sheet and profit and loss account report or other notice, statement or circular issued to the creditors of the Issuer;

(g) publish, at the time of publication of its report and accounts pursuant to paragraph (f) above, a certificate signed by two Authorised Signatories of the Issuer certifying that, to the best of the knowledge, information and belief of the Issuer, (a) during the period between the date as of which the last certificate was given (or, in case of the first such certificate, the date hereof) and the date as of which such certificate is given, the Issuer has complied with its material obligations under these Terms and Conditions, the Issuing and Paying Agency Agreement and the other Transaction Documents or (if such is not the case) giving details of the circumstances of such non-compliance and (b) without prejudice to the generality of this paragraph (g) and paragraph (f) above, there did not exist as at a date not more than 10 days prior to the date of delivery of the certificate, on the part of the Issuer, any Event of Default or Potential Event of Default (as applicable) or, if any Event of Default or Potential Event of Default (as applicable) exists, giving details of the same;

(h) provide any Mortgage Covered Bondholder, upon its written request, with any report prepared by the Asset Monitor pursuant to the Asset Monitor Agreement;

(i) not amend, vary, novate, supplement or waive any term of the Asset Monitor Agreement, except for:

(i) changes of administrative nature or corrections of manifest errors;

(ii) changes necessary to reflect consequences of a change in, or a change in interpretation of, the applicable law or regulations, including the Czech Bonds Act, the CNB Decree and the CRR; or

(iii) changes that are not materially adverse to the interests of the Mortgage Covered Bondholders.

§ 9

(Events of Default)

(1) Each Mortgage Covered Bondholder shall be entitled to declare its Mortgage Covered Bonds due and demand immediate redemption thereof at the Redemption Amount, if any one or more of the following events (each an **Event of Default**) shall occur:

(a) non-payment of any payment obligations by the Issuer under or in connection with the Mortgage Covered Bonds which lasts for more than 10 (ten) Banking Days from the date when such obligations became due;

(b) the Issuer fails to comply with, perform or observe any of its other Significant Obligations and (except, in any case where the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) such failure continues and remains unremedied for the period of 45 (forty five) calendar days following the service by any Mortgage Covered Bondholder on the Issuer of notice requiring the same to be remedied;

(c) for the purposes of paragraph (b) above, **Significant Obligations** means any material obligations of the Issuer as set out in the Terms and Conditions and the Asset Monitor Agreement. For the avoidance of doubt, any breach of the Contractual Asset Cover Test would not be a breach of a Significant Obligation for the purposes of paragraph (b) above; or

(d) the Issuer fails to comply with the Statutory Tests for a period longer than three months.

For the avoidance of doubt, a breach of the Contractual Asset Cover Test will not result in an Event of Default. However, whilst such breach is continuing the Issuer must not issue any Czech Mortgage Covered Bonds which have the benefit of the Cover Pool.

The right to declare the Mortgage Covered Bonds due and payable shall terminate if the relevant event of default has been cured before the right is exercised.

(2) Any notice declaring the Mortgage Covered Bonds due pursuant to paragraph (1) shall be made by means of a notice in text form by the Mortgage Covered Bondholder to be delivered to the Principal Paying Agent by hand or registered mail together with sufficiently conclusive proof that such Mortgage Covered Bondholder at the time of such notice is a holder of the relevant Mortgage Covered Bonds. The Mortgage Covered Bonds shall fall and payable due upon receipt of the notice by the Principal Paying Agent. The Principal Paying Agent shall promptly forward the notice to the Issuer without further examination.

§ 10

(Notices)

[*In the case of Mortgage Covered Bonds which are listed on a Stock Exchange insert:*

(1) *Publication*.

[*If notices may not be given by means of electronic publication on the website of the relevant stock exchange, insert:*

All notices concerning the Mortgage Covered Bonds shall be published in the Federal Gazette (in German, *Bundesanzeiger*) **[**and**]**

[If the publication is legally required to be made additionally in a newspaper authorised by the Stock Exchanges in Germany, insert:, to the extent legally required in one newspaper authorised by the Stock Exchanges in Germany (in German, Börsenpflichtblatt). This newspaper is expected to be **[**insert newspaper authorised by the Stock Exchange**].] [**If publication in this newspaper is no longer possible, the notices shall be published in another newspaper authorised by the Stock Exchanges in Germany (in German, Börsenpflichtblatt).**]**

Any notice will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first of such publications).**]**

[*If notices may be given by means of electronic publication on the website of the relevant Stock Exchange, insert:*

All notices concerning the Mortgage Covered Bonds will be made **[**additionally**]** by means of electronic publication on the internet website of the **[***insert relevant stock exchange***]** (www**.[***insert internet address***]**). Any notice will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first of such publications).**]]**

[(2)**]** *Notification to Clearing System*.

[*In the case of Mortgage Covered Bonds which are unlisted, insert:*

The Issuer shall deliver all notices concerning the Mortgage Covered Bonds to the Clearing System for communication by the Clearing System to the Mortgage Covered Bondholders. Any such notice shall be deemed to have been given to the Mortgage Covered Bondholders on the fourth **[**TARGET2**] [**London**] [***insert other financial centre***]** Banking Day after the day on which the said notice was given to the Clearing System.**]**

[*In the case of Mortgage Covered Bonds which are listed on a stock exchange, insert:*

The Issuer may, in lieu of publication in the newspapers set forth in paragraph (1) above, deliver the relevant notice to the Clearing System, for communication by the Clearing System to the Mortgage Covered Bondholders, provided that, the rules of the Stock Exchange on which Mortgage Covered Bonds are listed permit such form of notice. Any such notice shall be deemed to have been given to the Mortgage Covered Bondholders on the fourth **[**TARGET2**] [**London**] [***insert other financial centre***]** Banking Day after the day on which the said notice was given to the Clearing System.**]**

[*In the case of a TARGET2 Banking Day, insert:* **TARGET2 Banking Day** means a day (other than a Saturday or Sunday) on which TARGET2 is operational.**]**

[*In the case of a non-TARGET2 Banking Day, insert:* **[London] [***insert other financial centre***] Banking Day** means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in **[**London**] [***insert other financial centre***]].]**

§ 11

(Repurchase)

The Issuer shall be entitled at any time to purchase Mortgage Covered Bonds in the market or otherwise and at any price. Mortgage Covered Bonds repurchased by the Issuer may, at the Issuer's discretion, be held, resold or forwarded to the Principal Paying Agent for cancellation.

§ 12

(Presentation Period)

The presentation period provided in § 801 paragraph (1) sentence 1 of the German Civil Code (*BGB*) is reduced to ten years for the Mortgage Covered Bonds.

§ 13

(Partial Invalidity)

Should any provision of these Terms and Conditions of the Mortgage Covered Bonds 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 of the Mortgage Covered Bonds is to be filled with a provision that corresponds to the meaning and intent of these Terms and Conditions of the Mortgage Covered Bonds and is in the interest of the parties.

§ 14

(Applicable Law, Place of Jurisdiction, Language)

(1) The Mortgage Covered Bonds, as to form and content, and all rights and obligations of the Issuer and the Mortgage Covered Bondholders shall be governed by the laws of the Federal Republic of Germany.

(2) The Mortgage Covered Bonds, although otherwise governed by, and construed in accordance with, the laws of the Federal Republic of Germany, will be subject to and will benefit from those provisions of the Czech Bonds Act, the CNB Decree, the Czech Insolvency Act and any other provisions of Czech law applicable to or relevant for the Czech Mortgage Covered Bonds. Therefore, the Mortgage Covered Bonds will need to satisfy requirements of Sections 28 et seq., Part 2, Clause III of the Czech Bonds Act and the Cover Pool and its maintenance will be governed by Czech law. Also, Section 375 of the Czech Insolvency Act and other relevant provisions of the Czech Insolvency Act will apply to the Mortgage Covered Bonds and the Cover Pool in the case of insolvency proceedings against the Issuer.

(3) The Cover Pool, will be subject to and will benefit from, in respect of Mortgage Loans governed by Slovak law comprised in the Cover Pool, those provisions of the Slovak Banking Act and any other provisions of Slovak law applicable to or relevant for the Slovak loans secured by way of mortgage.

(4) To the extent permitted by law, all legal disputes arising from or in connection with the matters governed by the terms and conditions of these Mortgage Covered Bonds shall be brought before the court in Munich.

[*Insert if the Terms and Conditions are written in the German language and an English language translation will be provided*:

(5) These Terms and Conditions are written in the German language. An English language translation is attached. The German text shall be controlling and binding. The English language translation is provided for convenience only.**]**

[*Insert if the Terms and Conditions are written in the English language and a German language translation will be provided*.]

(5) These Terms and Conditions are written in the English language. A German language translation is attached. The English text shall be controlling and binding. The German language translation is provided for convenience only.]

[*Insert if the Terms and Conditions are written only in the English language:*

(5) These Terms and Conditions are written only in the English language.**]**

§ 15

(Amendments to the Terms and Conditions)

(1) §§ 5 et seq. of the German Bond Act (in German, *Gesetz über Schuldverschreibungen aus Gesamtemissionen* (the **SchVG**)), shall be applicable in relation to the Mortgage Covered Bonds. Thus, the Issuer may amend these Terms and Conditions with consent by majority resolution of the Mortgage Covered Bondholders.

(2) The Mortgage Covered Bondholders may in particular agree by majority resolution to the following:

(a) a change of the due date for payment of interest, the reduction or the cancellation of interest;

(b) a change of the due date for payment of principal;

(c) a reduction of principal;

(d) a subordination of claims arising from the Mortgage Covered Bonds in insolvency proceedings of the Issuer;

(e) a conversion of the Mortgage Covered Bonds into, or the exchange of the Mortgage Covered Bonds for, shares, other securities or obligations;

(f) an exchange or release of security;

(g) a change of the currency of the Mortgage Covered Bonds;

(h) a waiver or restriction of Mortgage Covered Bondholders' termination rights under the Mortgage Covered Bonds;

(i) an amendment or a rescission of ancillary provisions of the Mortgage Covered Bonds; and

(j) an appointment or a removal of a common representative for the Mortgage Covered Bondholders.

No obligation to make any payment or to render any other performance shall be imposed on any Mortgage Covered Bondholder by majority resolution.

(3) The Mortgage Covered Bondholders shall pass resolutions by vote taken [in a bondholders' meeting][without a physical meeting pursuant to § 18 SchVG].

A meeting of Mortgage Covered Bondholders will be called for by the Issuer or the Common Representative (as defined in paragraph (8) below). Pursuant to § 9 (1) sent. (1) SchVG in connection with § 18 SchVG, a meeting of Mortgage Covered Bondholders must be called if Mortgage Covered Bondholders holding Mortgage Covered Bonds amounting to 5 per cent. of the outstanding principal amount of the Mortgage Covered Bonds request so, in writing, with reference to one of the reasons set out in § 9 (1) sent. (1) SchVG.

(4) Except as provided in the following sentence and provided that the requisite quorum is present, a resolution of the Mortgage Covered Bondholders will be passed by simple majority of the rights to vote participating in the vote.

In the cases of this § 15 (2) items (a) through (i), in order to be passed, resolutions require a majority of not less than 75 per cent. of the rights to vote participating in the vote.

(5) Each Mortgage Covered Bondholder participating in any vote shall cast votes in accordance with the principal amount or the notional fraction of its entitlement to the outstanding Mortgage Covered Bonds. As long as the entitlement to the Mortgage Covered Bonds lies with, or the Mortgage Covered Bonds are held for the account of, the Issuer or any of its affiliates (§ 271 (2) of the German Commercial Code (in German, *Handelsgesetzbuch*)), the right to vote in respect of such Mortgage Covered Bonds shall be suspended. The Issuer may not transfer Mortgage Covered Bonds, of which the voting rights are so suspended, to another person for the purpose of exercising such voting rights in the place of the Issuer; this shall also apply to any affiliate of the Issuer. No person shall be permitted to exercise such voting right for the purpose stipulated in sent. (3), first half sentence, herein above.

(6) Binding Effect: Majority resolutions shall be binding on all Mortgage Covered Bondholders. Resolutions which do not provide for identical conditions for all Mortgage Covered Bondholders are void, unless Mortgage Covered Bondholders who are disadvantaged have expressly consented to their being treated disadvantageously.

(7) Mortgage Covered Bondholders must demonstrate their eligibility to participate in the vote at the time of voting by means of a special confirmation of the Custodian (as defined below) and by submission of a blocking instruction by the Custodian for the benefit of the Principal Paying Agent for the voting period.

The statement issued by the Custodian must

(a) indicate the full name and address of the Mortgage Covered Bondholder;

(b) specify the aggregate principal amount of Mortgage Covered Bonds credited to such securities account on the date of such statement; and

(c) confirm that the Custodian has given a written notice to the Clearing System and the Principal Paying Agent containing the information pursuant to (a) and (b) as well as confirmations by the Clearing System.

Custodian means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Mortgage Covered Bondholder maintains a securities account in respect of the Mortgage Covered Bonds including the Clearing System.

(8) The Mortgage Covered Bondholders may by majority resolution appoint a common representative (the **Common Representative**) to exercise the Mortgage Covered Bondholders' rights on behalf of each Mortgage Covered Bondholder. Any natural person having legal capacity or any qualified legal person may act as Common Representative. Any person who:

(a) is a member of the management board, the supervisory board, the board of directors or any similar body, or an officer or employee, of the Issuer or any of its affiliates;

(b) holds an interest of at least 20 per cent. in the share capital of the Issuer or of any of its affiliates;

(c) is a financial creditor of the Issuer or any of its affiliates, holding a claim in the amount of at least 20 per cent. of the outstanding Mortgage Covered Bonds, or is a member of a corporate body, an officer or other employee of such financial creditor; or

(d) is subject to the control of any of the persons set forth in numbers (i) to (iii) above by reason of a special personal relationship with such person

must disclose the relevant circumstances to the Mortgage Covered Bondholders prior to being appointed as a Common Representative. If any such circumstances arise after the appointment of a Common Representative, the Common Representative shall inform the Mortgage Covered Bondholders promptly in appropriate form and manner.

(9) The Common Representative shall have the duties and powers provided by law or granted by majority resolution of the Mortgage Covered Bondholders. The Common Representative shall comply with the instructions of the Mortgage Covered Bondholders. To the extent that the Common Representative has been authorised to assert certain rights of the Mortgage Covered Bondholders, the Mortgage Covered Bondholders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Common Representative shall provide reports to the Mortgage Covered Bondholders on its activities.

(10) The Common Representative shall be liable for the performance of its duties towards the Mortgage Covered Bondholders who shall be joint and several creditors (in German, *Gesamtgläubiger*); in the performance of its duties it shall act with the diligence and care of a prudent business manager. [*If the liability of the Common Representative may be limited by resolution of the Mortgage Covered Bondholders, insert*: The liability of the Common Representative may be limited by a resolution passed by the Mortgage Covered Bondholders.][If the liability of the Common Representative may be limited to a fixed amount, insert: The liability of the Common Representative may be limited to [[*insert amount*] times its annual remuneration] [*insert amount*].] The Mortgage Covered Bondholders shall decide upon the assertion of claims for compensation of the Mortgage Covered Bondholders against the Common Representative.

(11) The Common Representative may be removed from office at any time by the Mortgage Covered Bondholders without specifying any reasons. The Common Representative may request all information required for the performance of the duties entrusted to it from the Issuer. The Issuer shall bear the costs and expenses arising from the appointment of a Common Representative, including reasonable remuneration of the Common Representative.

Option II: Terms and Conditions of Floating Rate Mortgage Covered Bonds

§ 1

(Series, Form of Mortgage Covered Bonds, Issuance of Additional Mortgage Covered Bonds)

(1) This Tranche of the series (the **Series**) of Mortgage Covered Bonds (in Czech, *hypoteční zástavní listy*) (the **Mortgage Covered Bonds**) of UniCredit Bank Czech Republic and Slovakia, a.s. (the **Issuer**) is being issued on **[***insert Issue Date***]** (the **Issue Date**) in bearer form pursuant to these terms and conditions (the **Terms and Conditions**) in **[***insert Specified Currency***]** (the **Specified Currency**) in the aggregate principal amount of **[***insert Aggregate Principal Amount***]** (the **Aggregate Principal Amount**) in the denomination of **[***insert Specified Denomination***]** (the **Specified Denomination**).

[*In the case of a Temporary Global Note, which is exchanged for a Permanent Global Note, insert:*

(2) The Mortgage Covered Bonds are initially represented by a temporary global note (the **Temporary Global Note**) without interest coupons. The Temporary Global Note will be exchanged for a permanent global note in bearer form (the **Permanent Global Note**, and, together with the Temporary Global Note, the **Global Notes** and each a **Global Note**) on or after the 40th day after the Issue Date (the **Exchange Date**) only upon delivery of certifications, to the effect that the beneficial owner or owners of the Mortgage Covered Bonds represented by the Temporary Global Note is not a U.S. person or are not U.S. persons (other than certain financial institutions or certain persons holding the Mortgage Covered Bonds through such financial institutions) (the **Non-U.S. Beneficial Ownership Certificates**). **[***If Clearstream, Luxembourg and Euroclear are specified as Clearing System, the following applies:* The details of such exchange shall be entered into the records of the ICSDs (as defined below).]

The holders of the Mortgage Covered Bonds (the **Mortgage Covered Bondholders**) are not entitled to receive definitive Mortgage Covered Bonds. The Mortgage Covered Bonds as co-ownership interests in the Global Notes may be transferred pursuant to the relevant regulations of the Clearing System. The right to receive interest is represented by the Permanent Global Note.

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

The Global Notes bear the manual or facsimile signatures of two authorised representatives of the Issuer as well as the manual signature of a control officer of the Principal Paying Agent (as defined in § 5 below)**.]**

[*In the case of a Permanent Global Note from the Issue Date, insert:*

(3) The Mortgage Covered Bonds are represented by a Permanent Global Note (the **Permanent Global Note** or **Global Note**) without interest coupons, which bears the manual or facsimile signatures of two Authorised Signatories of the Issuer as well as the manual signature of a control officer of the Principal Paying Agent (as defined in § 5 below). The holders of the Mortgage Covered Bonds (the **Mortgage Covered Bondholders**) are not entitled to receive definitive Mortgage Covered Bonds. The Mortgage Covered Bonds as co-ownership interests in the Global Note may be transferred pursuant to the relevant regulations of the Clearing System. The right to receive interest is represented by the Global Note.**]**

(4) Each Global Note will be kept in custody by or on behalf of a Clearing System. **Clearing System** means Clearstream Banking société anonyme, Luxembourg (**Clearstream, Luxembourg**) and Euroclear Bank SA/NV (**Euroclear**)**.] [**Clearstream Banking AG, Frankfurt (**CBF**)**.] [**(Clearstream, Luxembourg and Euroclear are individually referred to as an **ICSD** (*International Central Securities Depositary*) and, collectively, the **ICSDs**).]

[*In the case of Euroclear and Clearstream, Luxembourg and if the Temporary Global Note or the Permanent Global Note is not a New Global Note, insert:*

(5) The Mortgage Covered Bonds are issued in classical global note form and are kept in custody by a common depositary on behalf of both ICSDs.]

[*In the case of Euroclear and Clearstream, Luxembourg and if the Temporary Global Note or the Permanent Global Note is a New Global Note, insert:*

(6) The Mortgage Covered Bonds are issued in new global note form and are kept in custody by a common safekeeper (the **Common Safekeeper**) on behalf of both ICSDs. The principal amount of the Mortgage Covered Bonds represented by the Global Note shall be the aggregate amount entered into the records of both ICSDs from time to time. The records of the ICSDs (which each ICSD holds for its customers reflecting the amount of such customer's interest in the Mortgage Covered Bonds) shall be conclusive evidence of the principal amount of the Mortgage Covered Bonds represented by the Global Note and, for these purposes, a statement issued by an ICSD stating the principal amount of the Mortgage Covered Bonds so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or payment of interest or purchase and cancellation of any of the Mortgage Covered Bonds represented by the Global Note details of such redemption, interest payment or purchase and cancellation (as the case may be) in respect of the Global Note, shall be entered *pro rata* into the records of the ICSDs and, upon any such entry being made, the principal amount of the Mortgage Covered Bonds reflected in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate principal amount of the Mortgage Covered Bonds so redeemed or purchased and cancelled. **[***If the Mortgage Covered Bonds may be partially redeemed on the basis of an optional redemption right, insert:* For technical procedure of the ICSDs, in the case of the exercise of an optional redemption (as defined in § 3) relating to a partial redemption, the outstanding Redemption Amount (as defined below) will be reflected in the records of the ICSDs as either a nominal reduction or as a pool factor, at the reasonable discretion of the ICSDs pursuant to § 317 BGB.**]**

[(4)**][**(5)**]** The Issuer reserves the right from time to time without the consent of the Mortgage Covered Bondholders to issue additional Mortgage Covered Bonds with identical terms, so that the same shall be consolidated and form a single series with the Series comprising the Mortgage Covered Bonds. The term "*Mortgage Covered Bonds*" shall, in the event of such increase, also comprise all additionally issued Mortgage Covered Bonds.

§ 2

(Interest)

(1) The Mortgage Covered Bonds shall bear interest on their outstanding Aggregate Principal Amount from **[***insert Interest Commencement Date***]** (the **Interest Commencement Date**) (including) **[**for each Interest Period**]** to the Maturity Date (as defined in § 3 (1) below) (excluding) at the Interest Rate *per annum*. The respective Interest Amount shall, subject to an adjustment in accordance with the business day convention **[***If adjustment is applicable (as specified in § 4)*: or an adjustment**]** pursuant to § 4 **[**(2)**][**(3)**]**, be payable in arrear on each Interest Payment Date pursuant to the provisions in § 4 (1).

Interest Payment Date means

[*In the case of Fixed- to-Floating Interest Rate Mortgage Covered Bonds, insert:*

for the period, during which the Mortgage Covered Bonds bear interest on a fixed rate basis (the **Fixed Interest Term**):

each **[***insert* specified *Interest Payment Date(s)***] [**of each year**]]**

and for the period, during which the Mortgage Covered Bonds bear interest on a floating rate basis (the **Floating Interest Term**):

[*In the case of specified Interest Payment Dates, insert:*

each **[**insert specified Interest Payment Date(s)**] [**of each year**] [**and the Maturity Date**]** beginning with **[**first Interest Payment Date falling into the Floating Interest Term**].]**

[*In the case of specified Interest Periods, insert:*

each date which (except as otherwise provided in these Terms and Conditions) falls **[***insert number***] [**weeks**] [**months**]** after the preceding Interest Payment Date **[**and the Maturity Date**]** beginning with **[***first Interest Payment Date falling into the Floating Interest Term***].]**

[*In the case of Mortgage Covered Bonds other than Fixed- to-Floating Interest Rate Mortgage Covered Bonds, insert:*

[*In the case of specified Interest Payment Dates, insert:*

[*In the case of specified Interest Payment Dates without a first long/short coupon, insert:*

each **[**insert *specified Interest Payment Date(s)***] [**of each year**] [**and the Maturity Date**]]**

[*In the case of specified Interest Payment Dates with a first long/short coupon, insert:*

the **[***insert first Interest Payment Date***]** and thereafter **[**each**][**the**] [***insert specified Interest Payment Date(s)***] [**of each year**] [**and the Maturity Date**].]**

[*In the case of specified Interest Periods, insert:*

each date which (except as otherwise provided in these Terms and Conditions) falls **[***insert number***] [**weeks**] [**months**]** after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date**[**, and the Maturity Date**].]]**

Interest Period means each period from the Interest Commencement Date (including) to the first Interest Payment Date (excluding) and from each Interest Payment Date (including) to the following Interest Payment Date (excluding) respectively.

[*In the case of Screen Rate Determination, insert:*

(2) The interest rate (the **Interest Rate**)

[*In the case of Fixed- to-Floating Interest Rate Mortgage Covered Bonds, insert:*

during the Fixed Interest Term, for each Interest Period falling into the Fixed Interest Term, will be **[***insert fixed interest rate in per cent. per annum***]**

[*In the case of a first short/long coupon, insert*:, whereas the interest amount for the First Interest Period (as defined below) will be [**[***insert initial broken amount***]** per Specified Denomination**] [[***insert initial broken amount***]** per Aggregate Principal Amount**]**.

the Interest Rate during the Floating Interest Term, for each Interest Period falling into the Floating Interest Term, will, except as provided below, be:**]**

[*In the case of Mortgage Covered Bonds other than Fixed- to-Floating Interest Rate Mortgage Covered Bonds, insert:*

for each Interest Period will, except as provided below, be**]**

the Reference Rate **[***In the case of a factor, insert:* multiplied with **[***factor***],] [***In the case of a Margin, insert*:, **[**plus**] [**minus**]** the Margin**]**.

[In the case of a Margin, insert: **Margin** means **[**insert percentage in per cent per annum**].]**

Reference Rate means,

[*In the case of Mortgage Covered Bonds other than Constant Maturity Swap (CMS) Floating Rate Mortgage Covered Bonds, insert:*

[insert in case of Mortgage Covered Bonds where the Reference Rate is not SONIA®, SOFR® or €STR®: the **[[**insert number**]**-month **[**Euribor**] [[**insert number**]**-month **[**Pribor**]** offered rate (expressed as a percentage rate per annum) for deposits in the Specified Currency for the respective Interest Period which appears on the Screen Page as of 11:00 a.m., **[**If the Reference Rate is Euribor, insert: Brussels**] [**If the Reference Rate is Pribor, insert: Prague**]** time, on the respective Interest Determination Date**]] [**If the Reference Rate is SONIA®, insert: the daily Sterling Overnight Index Average (**SONIA®**) rate for the relevant London Banking Day which appears on the Screen Page as of 9.00 a.m. (London time) on the relevant Interest Determination Date, calculated on a compounded basis for the relevant Interest Period pursuant to the following formula.

Compounded Daily SONIA® means the rate of return of a daily compound interest investment (with the daily SONIA® as reference rate for the calculation of interest) and will be calculated by the **[**Calculation Agent**]** [●] on the Interest Determination Date, pursuant to the following formula:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{\text{SONIA}^{®}_{\text{i-pLBD}}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

d	means the number of calendar days in the relevant Interest Period;
d_o	means the number of London Banking Days in the relevant Interest Period;
I	means a series of whole numbers from one to d_o, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Period;

p means [*insert relevant definition*].

n_i for any day "i", means the number of calendar days from and including such day "i" up to but excluding the following London Banking Day;

SONIA®$_{i\text{-}pLBD}$ means, in respect of any London Banking Day falling in the relevant Observation Period, the SONIA® reference rate for the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i ".

Observation Period means the period from and including the date falling five London Banking Days prior to the first day of the relevant Interest Period and ending on, but excluding, the date falling five London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling five London Banking Days prior to such earlier date, if any, on which the Mortgage Covered Bonds become due and payable)]

[*If the Reference Rate is SOFR®, insert*: the daily US Dollar overnight reference rate (**SOFR®**) rate for the relevant U.S. Government Securities Banking Day which appears on the Screen Page as of 5.00 p.m. (New York time) on the relevant Interest Determination Date, calculated on a compounded basis for the relevant Interest Period pursuant to the following formula.

Compounded Daily SOFR® means the rate of return of a daily compound interest investment (with the daily US Dollar overnight reference rate as reference rate for the calculation of interest) and will be calculated by the **[**Calculation Agent**]** [●] on the Interest Determination Date, pursuant to the following formula:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{\text{SOFR}^{®}{}_{i-pUSBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

d means the number of calendar days in the relevant Interest Period;

d_o means the number of U.S. Government Securities Banking Day (as defined below) in the relevant Interest Period;

I means a series of whole numbers from one to d_o, each representing the relevant U.S. Government Securities Banking Day in chronological order from, and including, the first U.S. Government Securities Banking Day in the relevant Interest Period;

p means [*insert relevant definition*].

n_i for any day "i", means the number of calendar days from and including such day "i" up to but excluding the following U.S. Government Securities Banking Day;

SOFR®$_{i\text{-}pUSBD}$ means, in respect of any U.S. Government Securities Banking Day falling in the relevant Observation Period, the SOFR® reference rate for the U.S. Government Securities Banking Day falling "p" U.S. Government Securities Banking Days prior to the relevant U.S. Government Securities Banking Day "i".

Observation Period means the period from and including the date falling five U.S. Government Securities Banking Days prior to the first day of the relevant Interest Period and ending on, but excluding, the date falling five U.S. Government Securities Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling five U.S. Government Securities Banking Days prior to such earlier date, if any, on which the Mortgage Covered Bonds become due and payable).**]**

[*If the Reference Rate is €STR®, insert:* the daily Euro short-term rate (**€STR®**) for the relevant TARGET2 Banking Day which appears on the Screen Page as of 9.00 a.m. (Brussels time) on the relevant Interest Determination Date, calculated on a compounded basis for the relevant Interest Period pursuant to the following formula.

Compounded Daily €STR® means the rate of return of a daily compound interest investment (with the daily Euro short-term rate as reference rate for the calculation of interest) and will be calculated by the **[**Calculation Agent**]** [●] on the Interest Determination Date, pursuant to the following formula:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{€STR^{®}_{i-pTBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

d means the number of calendar days in the relevant Interest Period;

d_o means the number of TARGET2 Banking Days since the relevant Interest Period;

I means a series of whole numbers from one to do, each representing the relevant TARGET2 Banking Day in chronological order from, and including, the first TARGET2 Banking Day in the relevant Interest Period;

p means [*insert relevant definitions*].

n_i for any day "i", means the number of calendar days from and including such day "i" up to but excluding the following TARGET2 Banking Day;

€STR®$_{i-pTBD}$ means, in respect of any TARGET2 Banking Day falling in the relevant Observation Period, the €STR® reference rate for the TARGET2 Banking Day falling "p" TARGET2 Banking Days prior to the relevant TARGET2 Banking Day "i".

Observation Period means the period from and including the date falling five TARGET2 Banking Days prior to the first day of the relevant Interest Period and ending on, but excluding, the date falling five TARGET2 Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling five TARGET2 Banking Days prior to such earlier date, if any, on which the Mortgage Covered Bonds become due and payable).

[If necessary, the resulting percentage will be rounded to the fifth decimal place, with 0.00005 being rounded upwards.**]**

[*If Interpolation shall apply for a first short/long coupon, insert:*

(This shall not apply for the Interest Period which ends with the first Interest Payment Date, for which the Reference Rate will be the linear interpolation between the **[***insert number***]** month **[**Euribor**]** **[***insert number***]** month **[**Pribor**]** offered rate and the **[***insert number***]** month **[**Euribor**]** **[***insert number***]** month **[**Pribor**]** offered rate (each expressed as a percentage rate *per annum*) each for deposits in the Specified Currency for the respective Interest Period which appears on the Screen Page as of 11:00 a.m., **[***If the Reference Rate is Euribor, insert*: Brussels**]** **[***If the Reference Rate is Pribor, insert*: Prague**]** time, on the respective Interest Determination Date.)**]**

[*If Interpolation shall apply for a last short/long coupon, insert:*

(This shall not apply for the Interest Period which ends with the Maturity Date, for which the Reference Rate will be the linear interpolation between the **[***insert number***]** month **[**Euribor**]** **[***insert number***]** month **[**Pribor**]** offered rate and the **[***insert number***]** month **[**Euribor**]** **[***insert number***]** month **[**Pribor**]** offered rate (each expressed as a percentage rate *per annum*) each for deposits in the Specified Currency for the respective Interest Period which appears on the Screen Page as of 11:00 a.m., **[***If the Reference Rate is Euribor, insert*: Brussels**]** **[***If the Reference Rate is Pribor, insert*: Prague**]** time, on the respective Interest Determination Date.)**]**

[*If the Reference Rate is Euribor or Pribor, insert:*

If the Screen Page is not available at such time, or if such offered rate does not appear on the Screen Page, the Calculation Agent will request each of the Reference Banks to provide its rate at which deposits in the Specified Currency are offered at approximately 11:00 a.m., **[***If the Reference Rate is Euribor, insert*: Brussels**]** **[***If the Reference Rate is Pribor, insert*: Prague**]** time, on the respective Interest Determination Date to prime banks in the **[***If the Reference Rate is Euribor, insert*: Euro-Zone**]** **[***If the Reference Rate is Pribor, insert*: Prague**]** interbank market for the respective Interest Period in a representative amount.

If at least two of the Reference Banks provide the Calculation Agent with such quotations, the respective Reference Rate will be the arithmetic mean (rounded if necessary to the nearest one **[***If the Reference Rate is Euribor, insert*: thousandth of a percentage point, with 0.0005**]** **[***If the Reference Rate is Pribor, insert*: hundred thousandth of a percentage point, with 0.000005**]** being rounded upwards) of such quotations.

If on any Interest Determination 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 **[***If the Reference Rate is Euribor, insert*: Euro-Zone**]** **[***If the Reference Rate is Pribor, insert*: Prague**]**, determined by the Calculation Agent in its reasonable discretion § 315 BGB), at approximately 11:00 a.m., **[***If the Reference Rate is Euribor, insert*: Brussels**]** **[***If the Reference Rate is Pribor, insert*: Prague**]** time, on that Interest Determination Date for deposits in the Specified Currency to leading European banks for the respective Interest Period and in a representative amount.

If the Reference Rate is SONIA®, insert:

If the Screen Page is not available or if no such quotation appears at such time, SONIA® shall be: (i) the Bank of England's bank rate (the **Bank Rate**) prevailing at close of business on the relevant London Banking Day; plus (ii) the mean of the spread of SONIA® to the Bank Rate over the previous five days on which SONIA® has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

Notwithstanding the paragraph above, in the event the Bank of England publishes guidance as to (i) how SONIA® is to be determined or (ii) any rate that is to replace SONIA®, the **[**Calculation Agent**]** [●] shall, to the extent that it is reasonably practicable, follow such guidance in order to determine SONIA® for the purpose of the Mortgage Covered Bonds for so long as SONIA® 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 Mortgage Covered Bonds for the first Interest Period had the Mortgage Covered Bonds been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date.**]**

[*If the Reference Rate is SOFR®, insert:*

If the Screen Page is not available or if no such quotation appears at such time and, (1) unless both a SOFR® Index Cessation Event and a SOFR® Index Cessation Effective Date have occurred, SOFR® in respect of the last U.S. Government Securities Banking Day for which SOFR® was published on the Screen Page; or (2) if a SOFR® Index Cessation Event and SOFR® Index Cessation Effective Date have occurred, the rate (inclusive of any spreads or adjustments) that was recommended as the replacement for the Secured Overnight Financing Rate by the Federal Reserve Board and/or the Federal Reserve Bank of New York or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purpose of recommending a replacement for the Secured Overnight Financing Rate (which rate may be produced by a Federal Reserve Bank or other designated administrator),

provided that, if no such rate has been recommended within one U.S. Government Securities Banking Day of the SOFR® Index Cessation Event, then the rate for each Interest Determination Date occurring on or after the SOFR® Index Cessation Effective Date will be determined as if (i) references to SOFR® where references to OBFR, (ii) references to U.S. Government Securities Banking Day were references to New York Banking Day, (iii) references to SOFR® Index Cessation Event were references to OBFR Index Cessation Event and (iv) references to SOFR® Index Cessation Effective Date were references to OBFR Index Cessation Effective Date; and provided further that, if no such rate has been recommended within one U.S. Government Securities Banking Day of the SOFR® Index Cessation Event and an OBFR Index Cessation Event has occurred, then the rate for each Interest Determination Date occurring on or after the SOFR® Index Cessation Effective Date will be determined as if (x) references to SOFR® were references to FOMC Target Rate, (y) references to U.S. Government Securities Banking Day were references to New York Banking Day and (z) references to the Screen Page were references to the Federal Reserve's Website.

Where:

FOMC Target Rate means, the short-term interest rate target set by the Federal Open Market Committee and published on the Federal Reserve's Website or, if the Federal Open Market Committee does not target a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee and published on the Federal Reserve's Website (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range).

U.S. Government Securities Banking Day means any day, except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

OBFR, means, with respect to any Interest Determination Date, the daily Overnight Bank Funding Rate in respect of the New York Banking Day immediately preceding such Interest Determination Date as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or a successor administrator) on the New York Fed's Website on or about 5:00 p.m. (New York time) on such Interest Determination Date.

OBFR Index Cessation Effective Date means, in respect of a OBFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of the Overnight Bank Funding Rate), ceases to publish the Overnight Bank Funding Rate, or the date as of which the Overnight Bank Funding Rate may no longer be used.

OBFR Index Cessation Event means the occurrence of one or more of the following events:

(a) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the OBFR) announcing that it has ceased or will cease to provide OBFR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to provide OBFR; or

(b) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of OBFR) has ceased or will cease to provide OBFR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide OBFR; or

(c) a public statement by a U.S. regulator or other U.S. official sector entity prohibiting the use of OBFR that applies to, but need not be limited to, fixed income securities and derivatives, to the extent that such public statement has been publicly acknowledged by the International Swaps and Derivatives Association, Inc. as an "*OBFR Index Cessation Event*" under the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. (as amended and updated as at the Issue Date or such other date as is specified in the applicable Final Terms) (the **ISDA Definitions**).

SOFR® Index Cessation Effective Date means, in respect of a SOFR® Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of

the Secured Overnight Financing Rate), ceases to publish the Secured Overnight Financing Rate, or the date as of which the Secured Overnight Financing Rate may no longer be used.

SOFR® Index Cessation Event means the occurrence of one or more of the following events:

(a) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate) announcing that it has ceased or will cease to provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to provide a Secured Overnight Financing Rate; or

(b) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate) has ceased or will cease to provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to provide the Secured Overnight Financing Rate; or

(c) a public statement by a U.S. regulator or U.S. other official sector entity prohibiting the use of the Secured Overnight Financing Rate that applies to, but need not be limited to, fixed income securities and derivatives, to the extent that such public statement has been publicly acknowledged by the International Swaps and Derivatives Association, Inc. as an "*SOFR Index Cessation Event*" under the ISDA Definitions.**]**

[*If the Reference Rate is €STR®, insert:*

€STR®i shall be the rate which was last published before the respective Interest Determination Date on the **[***insert screen page***]**.

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®i, the **[**Calculation Agent**]** [●] shall, to the extent that it is reasonably practicable, follow such guidance in order to determine €STR®i for the purpose of the Mortgage Covered Bonds for so long as €STR®i 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 Mortgage Covered Bonds for the first Interest Period had the Mortgage Covered Bonds been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date.**]**

Interest Determination Date means the [first] [last] **[**second**] [**insert other number of days**] [**If the Reference Rate is Euribor or €STR®, insert: TARGET2**] [**If the Reference Rate is SONIA®, insert: London**] [**If the Reference Rate is SOFR®, insert: U.S. Government Securities**] [**insert other financial centre**]** Banking Day [prior to the] **[**commencement**][**expiry**]** of the relevant Interest Period.

[*If the Reference Rate is Euribor or €STR®, insert:* **TARGET2 Banking Day** means a day (other than a Saturday or Sunday) on which TARGET2 is operational.**]**

[*If the Reference Rate is SONIA®, insert:* **[London] [***insert other financial centre***] [***If the Reference Rate is SOFR®, insert:* U.S. Government Securities**]** **Banking Day** means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in **[***If the Reference Rate is SONIA®, insert:* London**] [***If the Reference Rate is SOFR®, insert:* New York**] [***insert other financial centre***]]**.

[*If TARGET2 applies, insert:* **TARGET2** means the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2).**]**

Screen Page means **[***insert relevant Screen Page***]** (or any replacement Page).

Reference Banks means four major banks in the **[***If the Reference Rate is Euribor, insert*: Euro-Zone**]** interbank market, which will be determined by the Issuer in its reasonable discretion (§ 315 BGB).

[*If the Reference Rate is Euribor, insert:* **Euro-Zone** means the countries and territories listed in the Annex of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended.**]**

If (i) it becomes unlawful for the Issuer or the Calculation Agent to use **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]**, (ii) the administrator of the **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** ceases to calculate and publish the **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** permanently or for an indefinite period of time, (iii) the administrator of the **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** 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 Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** is otherwise being discontinued (each a **Discontinuation Event**), the **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** shall be replaced with a rate determined by the Issuer as follows by applying steps (I) through (IV) in such order (the **Successor Reference Rate**):

(I) The **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** shall be replaced with the **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]**, which is announced by the administrator of the **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]**, the competent central bank or a regulatory or supervisory authority as the successor rate for the **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** for the term of the **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** and which can be used in accordance with applicable law; or (if such a successor rate cannot be determined);

(II) the **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** shall be replaced with an alternative reference rate, which is or will be commonly used (in accordance with applicable law) as a reference rate for a comparable term for floating rate mortgage covered bonds in the respective currency; or (if such an alternative reference rate cannot be determined);

(III) the **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** shall be replaced with an alternative reference rate, which is or will be commonly used (in accordance with applicable law) as a reference rate (x) for interest rate swaps (fix-to-floating) in the relevant currency, or (y) for exchange traded interest rate futures in the relevant currency on a recognised futures exchange for exchange traded interest futures with regard to the Reference Rate for a comparable term; or (if no such alternative reference rate can be determined);

(IV) the **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** shall be replaced with a rate, which is determined by the Issuer (who, for the purposes of such determination, may (but is not obliged to) seek and rely on the opinion of a reputable third party financial adviser or financial institution experienced with the type of calculations required at the time) in its reasonable discretion (in German, *billiges Ermessen*) with regard to the term of the **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** and the relevant currency in a commercially reasonable manner based on the general market interest levels in the Federal Republic of Germany at the relevant time.

The Issuer shall also determine which screen page or other source shall be used in connection with such successor reference rate (the **Successor Reference Rate**). From the date of the determination of the Successor Reference Rate (the **Relevant Date**) any reference to the **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** shall be read as a reference to the Successor Reference Rate and any reference to the Screen Page herein shall from the Relevant Date on be read as a reference to the Successor Screen Page and the provisions of this paragraph shall apply *mutatis mutandis*. The Issuer shall thereafter inform the Mortgage Covered Bondholders in accordance with § 8.

Further and in addition to any replacement of the Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** with a Successor Reference Rate the Issuer may specify an interest adjustment factor or fraction which shall be applied in determining the Interest Rate and calculating the interest amount, for the purpose of achieving a result which is consistent with the economic substance of the Mortgage Covered Bonds before the Discontinuation Event occurred and which is not to the economic detriment of the Mortgage Covered Bondholders.

If a Discontinuation Event occurs and in case the **[**Reference Rate**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** cannot be replaced by the Issuer by applying steps (I) through (IV) as described above,

the Issuer may redeem the Mortgage Covered Bonds in whole **[**or in part**]**. The Mortgage Covered Bonds will be redeemed at par, together with any accrued interest until the redemption date pursuant to the provisions in § 4. The Issuer will give notice of such redemption to the Mortgage Covered Bondholders in accordance with § 8.

If the Issuer elects to redeem the Mortgage Covered Bonds, the Interest Rate applicable from the first Interest Payment Date following the Discontinuation Event until the redemption date shall be **[**the Interest Rate applicable to the immediately preceding Interest Period**][**the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotations were offered **[***in the case of Factor, insert:* multiplied by **[***factor***]] [***in the case of Margin, insert:* **[**plus**] [**minus**]** the Margin (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period)**]**. **[***in the case of a Margin being added, insert:* In case the relevant quotation will be less than zero, the Margin will be applied against such quotation. The Margin will thereby be reduced.**]** The Interest Rate will never be less than 0 (zero)**] [●]**. If the Issuer elects not to redeem the Mortgage Covered Bonds, the same Interest Rate shall apply from the first Interest Payment Date following the Discontinuation Event.**]**

[*In the case of CMS Floating Rate Mortgage Covered Bonds, insert:*

the **[***insert relevant number of years***]** year Constant Maturity Swap, being the swap rate expressed as a percentage rate *per annum* which appears on the Screen Page as of the Reference Rate Time on the respective Interest Determination Date, all as determined by the Calculation Agent.

Screen Page means **[***insert relevant Screen Page***]** (or any replacement Page).

If the Screen Page is not available at such time, or if such quotations do not appear on the Screen Page, the Calculation Agent will request the Reference Banks to provide the mid-market annual swap rate quotations at approximately the Reference Rate Time, on the respective Interest Determination Date.

If at least [i*nsert number*] quotations are provided, the Reference Rate for that Interest Determination Date will be the arithmetic mean (rounded if necessary to the nearest hundred thousandth of a percentage point, with 0.000005 being rounded upwards) of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotations (or, in the event of equality, one of the lowest).

Reference Rate Time means [*insert Reference Rate Time*].

As used herein, **Reference Banks** means five leading swap dealers in the interbank market which will be determined by the Issuer in its reasonable discretion § 315 BGB).

Interest Determination Date means the **[**second**]** [first] [last] **[***insert other number of days***]** **[**TARGET2**]** **[**London**]** **[***insert other financial centre***]** Banking Day [prior to the] **[**commencement**][**expiry**]** of the relevant Interest Period.

[*In the case of a TARGET2 Banking Day, insert:* **TARGET2 Banking Day** means a day (other than a Saturday or Sunday) on which TARGET2 is operational.**]**

[*In the case of a non-TARGET2 Banking Day, insert:* **[***insert financial centre***]** **Banking Day** means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in **[***insert financial centre***]]**.

[*If TARGET2 applies, insert:* **TARGET2** means the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2).]

If (i) it becomes unlawful for the Issuer or the Calculation Agent to use the Reference Rate, (ii) the administrator of the Reference Rate ceases to calculate and publish the Reference Rate permanently or for an indefinite period of time, (iii) the administrator of the Reference 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 Rate is otherwise being discontinued (each a **Discontinuation Event**), the Reference Rate shall be replaced with a rate determined by the Issuer as follows by applying steps (I) through (IV) in such order (the **Successor Reference Rate**):

(I) The Reference Rate shall be replaced with the reference rate, which is announced by the administrator of the Reference Rate, the competent central bank or a regulatory or supervisory authority as the successor rate for the Reference Rate for the term of the Reference Rate and which can be used in accordance with applicable law; or (if such a successor rate cannot be determined);

(II) the Reference Rate shall be replaced with an alternative reference rate, which is or will be commonly used (in accordance with applicable law) as a reference rate for a comparable term for floating rate mortgage covered bonds in the respective currency; or (if such an alternative reference rate cannot be determined);

(III) the Reference Rate shall be replaced with an alternative reference rate, which is or will be commonly used (in accordance with applicable law) as a reference rate (x) for interest rate swaps (fix-to-floating) in the relevant currency, or (y) for exchange traded interest rate futures in the relevant currency on a recognised futures exchange for exchange traded interest futures with regard to the Reference Rate for a comparable term; or (if no such alternative reference rate can be determined);

(IV) the Reference Rate shall be replaced with a rate, which is determined by the Issuer (who, for the purposes of such determination, may (but is not obliged to) seek and rely on the opinion of a reputable third party financial adviser or financial institution experienced with the type of calculations required at the time) in its reasonable discretion (in German, *billiges Ermessen*) with regard to the term of the Reference Rate and the relevant currency in a commercially reasonable manner based on the general market interest levels in the Federal Republic of Germany at the relevant time.

The Issuer shall also determine which screen page or other source shall be used in connection with such successor reference rate (the **Successor Reference Rate**). From the date of the determination of the Successor Reference Rate (the **Relevant Date**) any reference to the Reference Rate shall be read as a reference to the Successor Reference Rate and any reference to the Screen Page herein shall from the Relevant Date on be read as a reference to the Successor Screen Page and the provisions of this paragraph shall apply *mutatis mutandis*. The Issuer shall thereafter inform the Mortgage Covered Bondholders in accordance with § 8.

Further and in addition to any replacement of the Reference Rate with a Successor Reference Rate the Issuer may specify an interest adjustment factor or fraction which shall be applied in determining the Interest Rate and calculating the interest amount, for the purpose of achieving a result which is consistent with the economic substance of the Mortgage Covered Bonds before the Discontinuation Event occurred and which is not to the economic detriment of the Mortgage Covered Bondholders.

If a Discontinuation Event occurs and in case the Reference Rate cannot be replaced by the Issuer by applying steps (I) through (IV) as described above, the Issuer may redeem the Mortgage Covered Bonds in whole **[**or in part**]**. The Mortgage Covered Bonds will be redeemed at par, together with any accrued interest until the redemption date pursuant to the provisions in § 4. The Issuer will give notice of such redemption to the Mortgage Covered Bondholders in accordance with § 8.

If the Issuer elects to redeem the Mortgage Covered Bonds, the Interest Rate applicable from the first Interest Payment Date following the Discontinuation Event until the redemption date shall be **[**the Interest Rate applicable to the immediately preceding Interest Period**]****[**the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotations were offered **[***in the case of Factor, insert:* multiplied by **[***factor***]] [***in the case of Margin, insert:* **[**plus**] [**minus**]** the Margin (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period)**]**. **[***in the case of a Margin being added, insert:* In case the relevant quotation will be less than zero, the Margin will be applied against such quotation. The Margin will

thereby be reduced.**]** The Interest Rate will never be less than 0 (zero)**] [●]**. If the Issuer elects not to redeem the Mortgage Covered Bonds, the same Interest Rate shall apply from the first Interest Payment Date following the Discontinuation Event.**]**

[*In the case of ISDA determination, insert*:

(3) The interest rate (the **Interest Rate**)

[*In the case of Fixed- to-Floating Interest Rate Mortgage Covered Bonds, insert:*

during the Fixed Interest Term, for each Interest Period falling into the Fixed Interest Term, will be **[***insert fixed interest rate in per cent. per annum***]**

[*In the case of a first short/long coupon, insert*:, whereas the interest amount for the First Interest Period (as defined below) will be [**[***insert initial broken amount***]** per Specified Denomination**] [[***insert initial broken amount***]** per Aggregate Principal Amount**]**.

The Interest Rate during the Floating Interest Term, for each Interest Period falling into the Floating Interest Term, will be, except as provided below:**]**

[*In the case of Mortgage Covered Bonds other than Fixed- to-Floating Interest Rate Mortgage Covered Bonds, insert:*

for each Interest Period will, except as provided below, be**]**

the relevant ISDA Rate **[***In the case of a factor, insert*: multiplied by **[***insert factor***]]**, **[***In the case of a Margin, insert*: **[**plus**] [**minus**]** the Margin**]**.

[The **Margin** amounts to **[***insert percentage in per cent per annum***]**.**]**

ISDA Rate means for an Interest Period the rate corresponding to the Floating Rate that would be determined by the Calculation Agent in the context of an interest rate swap transaction if the Calculation Agent were to act as calculation agent for such swap transaction, such determination occurring pursuant to an agreement declaring the 2006 ISDA Interest Rate and Currency Definitions (in the version that is valid, current, updated and published by the International Swaps and Derivatives Association on their website at www.isda.org (or a successor website) on the Issue Date) part of the contract and according to which

(a) the Floating Rate Option corresponds to **[***insert Floating Rate Option***]**,

(b) the Designated Maturity means a period **[***insert period from/to***]**, and

(c) the relevant Reset Date corresponds to **[***If the applicable Floating Rate Option is based on the Euro-Zone Interbank Offer Rate ("Euribor") or the Prague Interbank Offered Rate ("Pribor") for a currency*: the first day of this Interest Period**] [***If the applicable Floating Rate Option is <u>not</u> based on the Euribor or the Pribor for a currency, insert*: **[***insert relevant date***]]**).

For purposes of this paragraph (3), (i) **Floating Rate**, **Calculation Agent**, **Floating Rate Option**, **Designated Maturity** and **Reset Date** have the meaning accorded to these terms in the ISDA Definitions, and (ii) **Euro-Zone** means the countries and territories listed in the Annex of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended.**]**

[*If Minimum and/or Maximum Interest Rate applies, insert*: (3)

[*In the case of a Minimum Interest Rate, insert*:

If the Interest Rate in respect of any Interest Period specified in accordance with the above provisions is less than **[***insert Minimum Interest Rate***]**, the Interest Rate for such Interest Period shall be **[***insert Minimum Interest Rate***].]**

[*In the case of a Maximum Interest Rate, insert*:

If the Interest Rate in respect of any Interest Period specified in accordance with the above provisions is higher than **[***insert Maximum Interest Rate***]**, the Interest Rate for such Interest Period shall be **[***insert Maximum Interest Rate***].]]**

[(3)**][**(4)**]** The Interest Amount (the **Interest Amount**) will be calculated by the Calculation Agent, by multiplying the product of the Interest Rate and the Day Count Fraction with [each Specified Denomination] **[**the Aggregate Principal Amount**]**.

[*If the Extended Maturity Date with respect to the Mortgage Covered Bonds applies, insert:*

[(4)][(5)] If the maturity of the Mortgage Covered Bonds is extended beyond the Maturity Date in accordance with § 3[(3)][(4)][(5)], the Mortgage Covered Bonds shall bear interest from (and including) the Maturity Date to (but excluding) the earlier of the relevant Interest Payment Date after the Maturity Date on which the Mortgage Covered Bonds are redeemed in full or the Extended Maturity Date, subject to § 2(1). In that event, interest shall be payable on those Mortgage Covered Bonds at the rate determined in accordance with § 2[(5)][(6)] on the principal amount outstanding of the Mortgage Covered Bonds in arrear on the Interest Payment Date in each month after the Maturity Date in respect of the Interest Period ending immediately prior to the relevant Interest Payment Date. The final Interest Payment Date shall fall no later than the Extended Maturity Date.

[(5)][(6)] If the maturity of the Mortgage Covered Bonds is extended beyond the Maturity Date in accordance with § 3[(3)][(4)][(5)], the rate of interest payable from time to time in respect of the principal amount outstanding of the Mortgage Covered Bonds on each Interest Payment Date after the Maturity Date in respect of the Interest Period ending immediately prior to the relevant Interest Payment Date will be [*insert percentage*] and, where applicable, determined by the Principal Paying Agent two Banking Days after the Maturity Date in respect of the first such Interest Period and thereafter [insert Interest Payment Date(s)] [of each month / specify other] up to and including the Extended Maturity Date.

[(6)][(7)] §§ 2[(4)][(5)] to 2[(6)][(7)] shall only apply if the Issuer fails to redeem the Mortgage Covered Bonds (in full) on the Maturity Date (or within two Banking Days thereafter) and the maturity of those Mortgage Covered Bonds shall be automatically extended up to the Extended Maturity Date in accordance with § 3[(3)][(4)][(5)].**]**

[(7)**][**(8)**]** The Calculation Agent will arrange for the Interest Rate, each Interest Amount for the respective Interest Period, each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Principal Paying Agent and every stock exchange, on which the Mortgage Covered Bonds are at that point of time listed or admitted to trading and whose regulations require a notification to the stock exchange as soon as possible after their determination but in no event later than on the **[**fourth**] [***insert number of days***]** Banking Day following its calculation. In the case of an extension or shortening of the Interest Period, the Interest Amount and Interest Payment Date so notified may subsequently be adjusted in the reasonable discretion (§ 315 BGB) (or appropriate alternative arrangements made by way of adjustment). Any such adjustment will be promptly notified to any stock exchange, on which the Mortgage Covered Bonds are then admitted or traded and to the Mortgage Covered Bondholders in accordance with § 8.

Banking Day means each day (other than a Saturday or Sunday) on which the Clearing System **[***If the Specified Currency is Euro or if TARGET2 is needed for other reasons, insert*: and TARGET2**] [**is**] [**are**]** open for business **[***If the Specified Currency is not Euro or if needed for other reasons, insert*: and commercial banks and foreign exchange markets settle payments in **[***insert all relevant financial centres***]**.

[(8)][(9)] **Day Count Fraction** means,

[*In the case of Actual / Actual (ICMA), insert:*

in respect of the calculation of an amount of interest on any Mortgage Covered Bonds for any period of time **[***In the case of Fixed-to-Floating Interest Rate Mortgage Covered Bonds, insert:* during the **[**Fixed Interest Term**] [**and the**] [**Floating Interest Term**]]** (the **Calculation Period**):

[*If the Calculation Period is equal to or shorter than the Interest Period during which it falls, insert*:

the number of days in the Calculation Period divided by the product of (1) the number of days in the Interest Period in which the Calculation Period falls and (2) the number of Interest Periods normally ending in any year.**]**

[*If the Calculation Period is longer than one Interest Period, insert:*

the sum of:

(a) the number of days in such Calculation Period falling in the Interest Period in which it begins divided by the product of (1) the number of days in such Interest Period and (2) the number of Interest Periods in a year; and

(b) the number of days in such Calculation Period falling in the next Interest Period divided by the product of (1) the number of days in such Interest Period and (2) the number of Interest Periods in a year.**]**

[*In the case of a short first or last Calculation Period, insert:*

for the purposes of determining the relevant Interest Period only, **[***insert Fictive Interest Payment Date***]** shall be deemed to be an Interest Payment Date.**]**

[*In the case of a long first or last Calculation Period, insert:*

for the purposes of determining the relevant Interest Period only, **[***insert Fictive Interest Payment Date***]** shall each be deemed to be an Interest Payment Date.**]]**

[*In the case of Actual / Actual (ISDA), insert:*

in respect of the calculation of an amount of interest on any Mortgage Covered Bonds for any period of time **[***In the case of Fixed-to-Floating Interest Rate Mortgage Covered Bonds, insert:* during the **[**Fixed Interest Term**] [**and the**] [**Floating Interest Term**]]** (the **Calculation Period**):

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

[*In the case of Actual / 365 (Fixed), insert:*

in respect of the calculation of an amount of interest on any Mortgage Covered Bonds for any period of time **[***In the case of Fixed-to-Floating Interest Rate Mortgage Covered Bonds, insert:* during the **[**Fixed Interest Term**] [**and the**] [**Floating Interest Term**]]** (the **Calculation Period**):

the actual number of days in the Calculation Period divided by 365.**]**

[*In the case of Actual / 360, insert:*

in respect of the calculation of an amount of interest on any Mortgage Covered Bonds for any period of time **[***In the case of Fixed-to-Floating Interest Rate Mortgage Covered Bonds, insert:* during the **[**Fixed Interest Term**] [**and the**] [**Floating Interest Term**]]** (the **Calculation Period**):

the actual number of days in the Calculation Period divided by 360.**]**

[*In the case of 30/360, 360/360 or Bond Basis in accordance with ISDA 2000 insert:*

in respect of the calculation of an amount of interest on any Mortgage Covered Bonds for any period of time **[***In the case of Fixed-to-Floating Interest Rate Mortgage Covered Bonds, insert:* during the **[**Fixed Interest Term**] [**and the**] [**Floating Interest Term**]]** (the **Calculation Period**):

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 (A) 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 (B) 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).**]**

[*In the case of 30/360, 360/360 or Bond Basis in accordance with ISDA 2006, insert:*

in respect of the calculation of an amount of interest on any Mortgage Covered Bonds for any period of time **[***In the case of Fixed-to-Floating Interest Rate Mortgage Covered Bonds, insert:* during the **[**Fixed Interest Term**] [**and the**] [**Floating Interest Term**]]** (the **Calculation Period**):

the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

Y_1 is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y_2 is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M_1 is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M_2 is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

D_1 is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

D_2 is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30.**]]**

[*In the case of 30E/360 or Eurobond Basis in accordance with ISDA 2000 (German interest calculation method) insert:*

the number of days in the Calculation Period divided by 360 with 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).**]**

[*In the case of 30E/360 or Eurobond Basis in accordance with ISDA 2006, insert:*

in respect of the calculation of an amount of interest on any Mortgage Covered Bonds for any period of time **[***In the case of Fixed-to-Floating Interest Rate Mortgage Covered Bonds, insert:* during the **[**Fixed Interest Term**] [**and the**] [**Floating Interest Term**]]** (the **Calculation Period**):

the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

Y_1 is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y_2 is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M_1 is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M_2 is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

D_1 is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

D_2 is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30.**]]**

[*If 30E/360 (ISDA) (only, if ISDA 2006 Definitions shall be applicable (German interest calculation method)) insert:*

in respect of the calculation of an amount of interest on any Mortgage Covered Bonds for any period of time **[***In the case of Fixed-to-Floating Interest Rate Mortgage Covered Bonds, insert:* during the **[**Fixed Interest Term**] [**and the**] [**Floating Interest Term**]]** (the **Calculation Period**):

the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

Y_1 is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y_2 is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M_1 is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M_2 is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

D_1 is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

D_2 is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 and, in which case D_2 will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period.**]**

§ 3

(Maturity, Redemption Amount [, Redemption for tax reasons, Redemption due to illegality or invalidity, Optional Redemption at the Option of the Issuer (Call Option), Extended Maturity Date)]

[(1)**]** The Mortgage Covered Bonds shall be redeemed on **[**In the case of a specified maturity date, insert: **[**insert Maturity Date**]] [**In the case of a specified maturity month, insert: the Interest Payment Date falling in **[**insert month**]** of **[**insert year**]]** (the **Maturity Date**) at their [Specified Denomination] **[**Aggregate Principal Amount**]** (the **Redemption Amount**) [if an Extended Maturity Date is applicable, insert:, subject to an extension of the maturity of the Mortgage Covered Bonds to [insert Extended Maturity Date] (the **Extended Maturity Date**) as provided in § 3[(3)][(4)][(5)] below].

[*In the case of redemption for tax reasons, insert:*

(2) The Mortgage Covered Bonds may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date, on giving not less than [*insert minimum numbers of days*] and not more than [*insert maximum numbers of days*] days' notice to the Principal Paying Agent and, in accordance with § 10, the Mortgage Covered Bondholders (which notice shall be irrevocable), if:

(a) on the occasion of the next payment due under the Mortgage Covered Bonds, the Issuer has or will become obliged to pay additional amounts as provided or referred to in § 6 as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in § 6) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Mortgage Covered Bonds; and

(b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Mortgage Covered Bonds then due.

Prior to the publication of any notice of redemption pursuant to this § 3(2), the Issuer shall deliver to the Principal Paying Agent to make available at its specified office to the Mortgage Covered Bondholders (i) a certificate signed by two Authorised Signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment, in which event it shall be conclusive and binding on the Mortgage Covered Bondholders. The Principal Paying Agent is not responsible, nor shall it incur any liability, for monitoring or ascertaining as to whether any certifications and/or opinions required by this § 3(2) are provided, nor shall it be required to review, check or analyse any certifications and/or opinions produced nor shall it be responsible for contents of any such certifications and/or opinions or incur any

liability in the event the content of such certifications and/or opinions or incur any liability in the event the content of such certification and/or opinions is inaccurate or incorrect. The Mortgage Covered Bonds redeemed pursuant to this § 3(2) will be redeemed at their Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption.]

[(2)][(3)] The Mortgage Covered Bonds may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date, on giving not less than [*insert minimum numbers of days*] and not more than [*insert maximum numbers of days*] days' notice to the Principal Paying Agent and, in accordance with § 10, all Mortgage Covered Bondholders (which notice shall be irrevocable), if it has, or will, before the next Interest Payment Date of any Mortgage Covered Bond, become unlawful for the Issuer to allow to remain outstanding any Mortgage Covered Bonds as a result of any change in, or amendment to, the applicable laws or regulations or any change in the application or official interpretation of such laws or regulations, which change or amendment has become or will become effective before the next such Interest Payment Date.

Prior to the publication of any notice of redemption pursuant to this § 3[(2)][(3)], the Issuer delivers to the Principal Paying Agent to make available at its specified office to the Mortgage Covered Bondholders a certificate signed by two Authorised Signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred. The Principal Paying Agent is not responsible, nor shall it incur any liability, for monitoring or ascertaining as to whether any certifications required by this § 3[(2)][(3)] are provided, nor shall it be required to review, check or analyse any certifications produced nor shall it be responsible for contents of any such certifications or incur any liability in the event the content of such certifications or incur any liability in the event the content of such certification is inaccurate or incorrect. Mortgage Covered Bonds redeemed pursuant to this § 3[(2)][(3)] will be redeemed at their Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption.

[*In the case of optional redemption at the option of the Issuer (Call-Option), insert:*

[(3)][(4)] The Issuer may on **[***insert Call Date(s)***] [**of each year, commencing on **[***insert date***]]** (**[**the**][**each such date a**] Call Date**) redeem the Mortgage Covered Bonds in whole **[**or in part**]**. The Issuer will give notice of such redemption at least **[***insert number (at least 5 Banking Days)***][**Banking Days (as defined in § 4 **[**(2)**][**(3)**]** below)**][**months**]** prior to the **[**relevant**]** Call Date pursuant to § 8. Such notice shall be irrevocable and shall specify the **[**relevant**]** Call Date. The Mortgage Covered Bonds will be redeemed at the **[**relevant**]** Call Date at the Optional Redemption Amount together with any interest accrued until the Call Date pursuant to the provisions in § 4.

The Optional Redemption Amount (the **Optional Redemption Amount**) [per Mortgage Covered Bond] [of the Mortgage Covered Bonds] shall be [its Specified Denomination**]** [their Aggregate Principal Amount**] [**as follows:

[Call Date(s)	Optional Redemption Amount(s)
[*insert Call Date(s)***]**	**[***insert Optional Redemption Amount(s) which may not be lower than the principal amount/issue price***]]**

[*If the Extended Maturity Date with respect to the Mortgage Covered Bonds applies, insert:*

[(3)][(4)][(5)] If the Issuer fails to redeem all of those Mortgage Covered Bonds in full on the Maturity Date or within two Banking Days thereafter, the maturity of the Mortgage Covered Bonds and the date on which such Mortgage Covered Bonds will be due and repayable for the purposes of these Terms and Conditions will be automatically extended up to (and including) the Extended Maturity Date. In that event, the Issuer may redeem all or any part of the principal amount outstanding of the Mortgage Covered Bonds on an Interest Payment Date falling in any month after the Maturity Date up to and including the Extended Maturity Date.

[(4)][(5)][(6)] The Issuer shall give to the Mortgage Covered Bondholders (in accordance with § 10) and the Principal Paying Agent, notice as to whether or not it intends to redeem all or any of the principal amount outstanding of the Mortgage Covered Bonds in full at least five Banking Days prior to the Maturity Date or the relevant Interest Payment Date. Any failure by the Issuer to notify such person shall not affect the validity or effectiveness of any extension of the maturity of the Mortgage Covered Bonds to the Extended Maturity Date. The Principal Paying Agent will notify the Clearing System of the notification (if any) given by the Issuer promptly upon such receipt (and in any event by no later than three Banking Days prior to the Maturity Date of the Mortgage Covered Bonds). For the avoidance of doubt, if the Principal Paying Agent has not received a notice from the Issuer in accordance with this § 3[(4)][(5)][(6)], the Principal Paying Agent shall endeavour to notify the Clearing System that the relevant Mortgage Covered Bonds will not be redeemed on the Maturity Date and/or the relevant Interest Payment Date, as the case may be.

[(5)][(6)][(7)] Any extension of the maturity of Mortgage Covered Bonds under § 3[(3)][(4)][(5)] shall be irrevocable. Where § 3[(3)][(4)][(5)] applies, any failure to redeem the Mortgage Covered Bonds on the Maturity Date (except where the Issuer has given notice in accordance with § 3[(4)][(5)][(6)] that it will redeem the Mortgage Covered Bonds) or any extension of the maturity of Mortgage Covered Bonds to the Extended Maturity Date under § 3[(3)][(4)][(5)] shall not constitute an event of default for any purpose or give any Mortgage Covered Bondholder any right to receive any payment of interest, principal or otherwise on the relevant Mortgage Covered Bonds other than as expressly set out in these Terms and Conditions.

[(6)][(7)][(8)] In the event of the extension of the maturity of Mortgage Covered Bonds under § 3[(3)][(4)][(5)], interest rates, interest periods and interest payment dates on the Mortgage Covered Bonds from (and including) the Maturity Date to (but excluding) the Extended Maturity Date shall be determined and made in accordance with §§ 2[(4)][(5)] to 2[(6)][(7)] and [*specify other*].

[(7)][(8)][(9)] If the Issuer redeems part and not all of the principal amount outstanding of Mortgage Covered Bonds on an Interest Payment Date falling in any month after the Maturity Date, the redemption proceeds shall be applied rateably across the Mortgage Covered Bonds and the principal amount outstanding on the Mortgage Covered Bonds shall be reduced by the level of that redemption.

[(8)][(9)][(10)] For so long as any of those Mortgage Covered Bonds remains in issue, the Issuer shall not issue any further Czech Mortgage Covered Bonds, unless the proceeds of issue of such further Czech Mortgage Covered Bonds are applied by the Issuer on issue in redeeming in whole or in part the relevant Mortgage Covered Bonds in accordance with the terms hereof.

[(9)][(10)][(11)] §§ 3[(3)][(4)][(5)] to 3[(9)][(10)][(11)] shall only apply to Mortgage Covered Bonds if the Issuer fails to redeem those Mortgage Covered Bonds in full on the Maturity Date (or within two Banking Days thereafter).]

§ 4

(Payments)

(1) The Issuer undertakes

(a) to pay the Interest Amount on each Interest Payment Date and

(b) to pay the Redemption Amount on the Maturity Date**[.] [**or**]**

[*In the case of an Optional Redemption Amount, insert:*

(c) to pay the Optional Redemption Amount on the Call Date including any interest accrued until the Call Date [.] [or]**]**

[*In the case of a redemption pursuant to § 3(2)), insert:*

(d) to pay the Redemption Amount on the date of redemption determined pursuant to § 3(2) any interest accrued until such date of redemption [.] **[**or**]**]

[*In the case of a redemption pursuant to § 3[(2)][(3)], insert:*

(e) to pay the Redemption Amount on the date of redemption determined pursuant to § 3[(2)][(3)] including any interest accrued until such date of redemption[.]]

The amounts mentioned in this paragraph (1) and all further amounts payable under these Terms and Conditions shall be rounded **[***If the Specified Currency is Euro, insert:* up or down to the nearest 0.01 Euro, with 0.005 Euro being rounded **[**upwards**][**always downwards**]] [***If the Specified Currency is not Euro, insert*: up or down to the smallest unit of the Specified Currency, with 0.5 of such unit being rounded **[**upwards**][**always downwards**]**.

[*In the case of dual currency Mortgage Covered Bonds, insert*:

(2) The payment of the Redemption Amount**[**,**][**and**]** the Interest Amount(s)**[**,**][**and**]** **[**the Optional Redemption Amount**]** will be settled in **[***insert currency***]**.

[The conversion of the amounts payable in [*insert currency*] is effected by using the Settlement Rate on the Rate Calculation Date applicable to the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**]** **[**the Optional Redemption Amount**]**, respectively.

Settlement Rate means [the "[*insert first exchange rate*]" multiplied by the "[*insert second exchange rate*]"] [*insert conversion rate*] on the applicable Rate Calculation Date.

"**[***insert first exchange rate*]" means the **[***insert sponsor*]'s (a **Fixing Sponsor**) published **[***insert relevant rate*] spot rate (a **Spot Rate**) (expressed as a number of [*insert currency*] per [one][●] [*insert currency*]) which appears on Reuters Screen page "[*insert page*]" at approximately [*insert time*] [*insert other time zone*]) on the applicable Rate Calculation Date.

"**[***insert second exchange rate*]" means **[***insert sponsor*]'s (a **Fixing Sponsor**) published **[***insert relevant rate*] spot rate (a **Spot Rate**) (expressed as a number of [*insert currency*] per [one][●] [*insert currency*]) which appears on Reuters Screen page "[*insert page*]" at approximately [*insert time*] [*insert time zone*]) on the applicable Rate Calculation Date.

Rate Calculation Date means the [second] [*insert day*] Bank Working Day prior to the payment of the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**]** **[**the Optional Redemption Amount**]**, respectively, in accordance with the Business Day Convention.

[Bank Working Day means [TARGET2][, [*insert financial centre*] [and [*insert financial centre*]].]

Market Disruption means:

(a) the failure to publish any of the Spot Rates by the relevant Fixing Sponsor,

(b) the suspension or restriction in foreign exchange trading for at least one of the relevant currencies quoted as a part of the Settlement Rate (including options or futures contracts) or the restriction of the convertibility of the currencies quoted in such exchange rate or the effective impossibility of obtaining a quotation of such exchange rate, or

(c) any other events the commercial effects of which are similar to the events listed above

to the extent that the above-mentioned events in the opinion of the Issuer are material.

If a Market Disruption occurs on any Rate Calculation Date as specified above, such Rate Calculation Date shall be postponed to the next following Bank Working Day prior to the payment of the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**]** **[**the Optional Redemption Amount**]**, respectively.

If the Market Disruption continues after such day the last available Settlement Rate before the occurrence of the Market Disruption shall be taken for calculation of the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**]** **[**the Optional Redemption Amount**]**, respectively.

In the event that any of the Spot Rates is no longer determined and published by a Fixing Sponsor but by another person, company or institution (the **Replacement Fixing Sponsor**), the Issuer may determine the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**]** **[**the Optional Redemption Amount**]**, respectively, on the basis of the Settlement Rate as calculated and published by the Replacement Fixing

Sponsor. In case of election of a Replacement Fixing Sponsor, each and every reference to the Fixing Sponsor, depending on the context, shall be deemed to refer to the Replacement Fixing Sponsor.

In the event that any of the Spot Rates is no longer determined and published, the Issuer may determine the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**]** **[**the Optional Redemption Amount**]**, respectively, on the basis of another Settlement Rate (the **Replacement Exchange Rate**) as calculated and published by the relevant Fixing Sponsor or Replacement Fixing Sponsor, as the case may be. In case of election of a Replacement Exchange Rate, each and every reference to the Settlement Rate, depending on the context, shall be deemed to refer to the Replacement Exchange Rate.

Should the Issuer come to the conclusion that

(a) a replacement of any Fixing Sponsor is not available;

(b) a replacement of the Settlement Rate is not available; or

(c) due to the occurrence of special circumstances or force majeur such as catastrophes, war, terror, insurgency, restrictions on payment transactions, entering of the currency used for the calculation of the relevant Spot Rate into the European Monetary Union and other circumstances having a comparable impact on the Settlement Rate the reliable determination of the Settlement Rate is impossible or impracticable,

the Issuer will determine the Settlement Rate in its own reasonable discretion pursuant to the German Civil Code (in German, *Bürgerliches Gesetzbuch "BGB"*).**]**

[The conversion of the amounts payable in **[**Euro**]** [●] is effected [●].**]** **[**At least **[**EUR**]** [●] **[**0.001**]** [●] [per Specified Denomination] **[**for the Aggregate Principal Amount**]** will be paid.**]]**

[(2)**][**(3)**]** If the due date for any payment under the Mortgage Covered Bonds (the **Payment Date**) is not a Banking Day then

[*In the case of Following Business Day Convention, insert:*

the Mortgage Covered Bondholders shall not be entitled to payment until the next following Banking Day.**]**

[*In the case of Modified Following Business Day Convention, insert:*

the Mortgage Covered Bondholders shall not be entitled to payment until the next following Banking Day unless it would thereby fall into the next calendar month in which event the payment shall be made on the immediately preceding Banking Day.**]**

[*In the case of Floating Rate Convention, insert*:

the Mortgage Covered Bondholders shall not be entitled to payment until the next following Banking Day, unless it would thereby fall into the next calendar month, in which event (i) an Interest Payment Date shall be the immediately preceding Banking Day and (ii) each subsequent Interest Payment Date shall be the last Banking Day in the month, which falls **[[***insert number***]** months**][***insert other specified periods***]** after the preceding applicable Interest Payment Date.**]**

[*In the case of Preceding Business Day Convention, insert:*

the Mortgage Covered Bondholders shall be entitled to payment on the immediately preceding Banking Day.**]**

[*For any Business Day Convention, if no adjustment is effected, insert:*

the Mortgage Covered Bondholders shall not be entitled to further interest or other payments in respect of such delay.**]**

[*For any Business Day Convention, if an adjustment is effected, insert:*

In the event that the maturity of a payment is **[**brought forward**][**or**][**postponed**]** as described above, such Payment Date and the respective Interest Amount will be adjusted accordingly.**]**

Banking Day means each day (other than a Saturday or Sunday) on which the Clearing System **[***If the Specified Currency is Euro or if TARGET2 is needed for other reasons, insert*: and TARGET2**] [**is**] [**are**]** open for business **[***If the Specified Currency is not Euro or if needed for other reasons, insert*: and commercial banks and foreign exchange markets settle payments in **[***insert all relevant financial centres***]**.

[*If TARGET2 applies, insert:* **TARGET2** means the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2).**]**

(3) All payments shall be made to the Principal Paying Agent (as defined in § 5). The Principal Paying Agent shall pay the amounts due to the Clearing System for credit to the respective accounts of the depository banks for transfer to the Mortgage Covered Bondholders. The payment to the Clearing System shall discharge the Issuer from its obligations under the Mortgage Covered Bonds in the amount of such payment.

(4) If the Issuer fails to make any payment under the Mortgage Covered Bonds when due, accrual of interest on due amounts continues on the basis of the default interest rate established by law[13]. Such accrual of interest starts on the due date of that payment (including) and ends at the end of the day preceding the effective date of payment (excluding).

[*In the case of a Temporary Global Note, insert*:

(5) Payments of interest on the Mortgage Covered Bonds represented by a Temporary Global Note shall be made only upon delivery of the Non-U.S. Beneficial Ownership Certificates (as described in § 1) by the relevant participants to the Clearing System.**]**

§ 5

(Principal Paying Agent, Paying Agent, Calculation Agent)

(1) The Principal Paying Agent is [Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom] **[***insert other entity appointed as Principal Paying Agent***]** (the **Principal Paying Agent**). The Issuer may appoint additional paying agents (the **Paying Agents**) and revoke such appointment. The appointment and revocation shall be published pursuant to § 10.

[Additional paying agent as of **[***insert date***]** is **[***insert entity appointed as additional paying agent***].]**

(2) The Calculation Agent is [Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom] **[***insert other entity appointed as Calculation Agent***]** (the **Calculation Agent**).

(3) Should any event occur which results in the Principal Paying Agent or Calculation Agent **[**or any additional Paying Agent**]** being unable to continue in its function as Principal Paying Agent or

[13] The default rate of interest pursuant to §§ 288 paragraph 1, 247 paragraph 1 of the German Civil Code (BGB) is five percentage points (if at least one consumer is involved) or eight percentage points (if no consumer is involved) above the basic rate of interest published by the German Central Bank (Deutsche Bundesbank) from time to time.

Calculation Agent **[**or any additional Paying Agent**]**, the Issuer is obliged to appoint another bank of international standing as Principal Paying Agent **[**or as additional 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 **[**or any additional Paying Agent**]** shall be notified promptly by the Issuer pursuant to § 10.

(4) In connection with the Mortgage Covered Bonds, the Principal Paying Agent**[**, the Paying Agent**[**s**]]** and the Calculation Agent act solely as agents of the Issuer and do**[**es**]** not assume any obligations towards or relationship of agency or trust for or with any of the Mortgage Covered Bondholders. The Principal Paying Agent **[**and the Paying Agent**[**s**]]** and the Calculation Agent shall be exempt from the restrictions of § 181 German Civil Code.

(5) Determinations made by the Calculation Agent, will, in the absence of manifest error, be conclusive and binding on the Issuer and the Mortgage Covered Bondholders.

§ 6

(Taxes)

[*If a tax gross-up obligation does not apply, insert:*

(1) Payments in respect of the Mortgage Covered Bonds shall only be made after deduction and withholding of current or future taxes, levies or governmental charges, regardless of their nature, which are imposed, levied or collected (the **Taxes**) under any applicable system of law or in any country which claims fiscal jurisdiction by or for the account of any political subdivision thereof or government agency therein authorised to levy Taxes, to the extent that such deduction or withholding is required by law. The Issuer shall account for the deducted or withheld Taxes with the competent government agencies.]

[*If a tax gross-up obligation applies, insert:*

(1) All payments of principal and interest in respect of the Mortgage Covered Bonds by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Mortgage Covered Bonds after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Mortgage Covered Bonds, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Mortgage Covered Bond:

(a) presented for payment in the Czech Republic; or

(b) the holder of which is liable for such taxes or duties in respect of such Mortgage Covered Bond by reason of his having some connection with the Tax Jurisdiction other than the mere holding of such Mortgage Covered Bond; or

(c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in § 4([2][3])).

(2) Notwithstanding anything to the contrary in this § 6, no additional amounts will be paid where such withholding or deduction is required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretation thereof or law implementing an intergovernmental approach thereto or an agreement between the United States of

America and the Czech Republic to implement FATCA or any law implementing or complying with, or introduced in order to conform to, such agreement.

(3) As used herein:

Tax Jurisdiction means the Czech Republic or any political subdivision or any authority thereof or therein having power to tax; and

Relevant Date means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent, as the case may be, on or prior to such due date, it means the date on which the full amount of such moneys having been so received, notice to that effect is duly given to the Mortgage Covered Bondholders in accordance with § 10.]

§ 7

(Status)

(1) Notwithstanding § 14, the Mortgage Covered Bonds are mortgage covered bonds (in Czech, *hypoteční zástavní listy*) issued in accordance with Section 28 *et seq.,* Part 2, Clause III of the Czech Bonds Act.

(2) The Mortgage Covered Bonds are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and with all other Czech Mortgage Covered Bonds issued by the Issuer, then outstanding and benefiting from the same Cover Pool (the Issuer may, at its sole discretion, create multiple Cover Pools) and with other obligations of the Issuer that have been provided the same priority as the Czech Mortgage Covered Bonds. Although the Mortgage Covered Bonds constitute unsecured obligations of the Issuer, in any insolvency proceedings against the Issuer, a special regime applies in respect of the obligations arising from the outstanding Czech Mortgage Covered Bonds issued by the Issuer.

(3) [The Mortgage Covered Bonds are "CRR Compliant" Mortgage Covered Bonds complying with requirements of Section 28c(2) of the Czech Bonds Act and solely using the Issuer's CRR Mortgage Loans in order to fulfil the requirements of Section 28a(2) of the Czech Bonds Act.]

(4) In these Terms and Conditions:

Adjusted Value means, unless required by the applicable laws otherwise, for:

(a) each Mortgage Loan, the lower of:

(i) the outstanding Nominal Value of such Mortgage Loan; and

(ii) the Mortgaged Property Value related to such Mortgage Loan;

(b) each PSB's Receivables and Exposures its outstanding Nominal Value;

(c) the Cash, its outstanding Nominal Value; and

(d) each Derivative, its real value determined pursuant to the applicable law.

Asset Monitor Agreement means the asset monitor agreement dated 4 June 2020 and entered into by and between the Issuer as issuer and Deloitte Audit s.r.o. as asset monitor (the **Asset Monitor**).

Asset Monitor Business Day means each day (other than a Saturday or Sunday) on which the commercial banks and foreign exchange markets settle payments in Prague, or in relation to payments in or conversions to or from euros, TARGET2 is open for business.

Asset Monitor Calculation Date means:

(a) the First Asset Monitor Calculation Date; and

(b) following the First Asset Monitor Calculation Date:

(i) prior to the occurrence of an Event of Default which is continuing, yearly each day of annual anniversary of the First Asset Monitor Calculation Date; and

(ii) following the occurrence of an Event of Default which is continuing, each Monthly Date falling at least one calendar month after the first such occurrence.

Authorised Signatory means an officer of the Issuer or such other person appointed by the Issuer to act as authorised signatory and in respect of whom a certificate has been provided, signed by the Issuer setting out the name and signature of that person and confirming such person's authority to sign.

Cash means cash receivables of the Issuer pursuant to Section 31(2)(d) of the Czech Bonds Act.

CNB means the Czech National Bank.

CNB Decree means the Decree of the CNB No. 2/2019 Coll. of 21 December 2018 (in Czech, *Vyhláška České národní banky č. 2/2019 Sb. ze dne 21. prosince 2018*) implementing certain provisions of the Czech Bonds Act, as amended.

Contractual Adjusted Aggregate Cover Pool Balance means the sum of the outstanding Adjusted Values of all Cover Assets, where the Adjusted Value is, for:

(a) each Mortgage Loan, deemed to be zero if such Mortgage Loan is a Defaulted Loan;

(b) each Mortgage Loan deemed to be zero if such Mortgage Loan does not fulfil requirements set out in Section 30(1) of the Czech Bonds Act;

(c) each CRR Mortgage Loan deemed to be zero if such CRR Mortgage Loan does not fulfil the applicable CRR requirements; and

(d) each Mortgage Loan deemed to be zero if such Mortgage Loan is in default pursuant to Article 178 of CRR,

and when any Cover Asset is not denominated in Czech Koruna such balance shall be converted to its equivalent in Czech Koruna at the Relevant Exchange Rate.

Cover Assets means the assets registered in the Cover Assets Register satisfying the Statutory Eligibility Criteria and the Contractual Eligibility Criteria (if applicable for the particular Cover Asset).

Cover Assets Register means a cover assets register for each Cover Pool maintained by the Issuer in accordance with the Czech Bonds Act and the CNB Decree.

Cover Pool means a part of the assets of the Issuer, which is recorded separately and which is composed of assets satisfying the relevant eligibility criteria set out in these Terms and Conditions to cover the obligations of the Issuer arising from the Czech Mortgage Covered Bonds (including, among other things, their aggregate nominal value and proportionate yield).

CRR means Regulation No. 575/2013 of the European Parliament and the Council of 26 June 2013, on Prudential Requirements for Credit Institutions and Investment Firms, as amended.

CRR Mortgage Loans mean the issuer's mortgage loan receivables pursuant to Article 129(1)(d)-(f) of the CRR.

CRR PSB's Receivables mean exposures pursuant to Article 129(1)(a) or (b) of the CRR.

Czech Banking Act means Czech Act No. 21/1992 Coll. on Banks, as amended.

Czech Bonds Act means the Czech Act No. 190/2004 Coll., on Bonds, as amended.

Czech Bonds Act Mortgage Loans mean the Issuer's mortgage loan receivables pursuant to Section 31(2)(a) of the Czech Bonds Act.

Czech Capital Markets Act means the Czech Act No. 256/2004 Coll., on Conducting Business in the Capital Market, as amended.

Czech Capital Markets Supervision Act means the Czech Act No. 15/1998 Coll., on Supervision in the Capital Market Area and Amendment of Certain Other Acts, as amended.

Czech Insolvency Act means the Czech Act No. 182/2006 Coll., on Insolvency and Method of its Resolution (Insolvency Act), as amended.

Czech Mortgage Covered Bonds means all instruments and securities issued by the Issuer as mortgage covered bonds (in Czech, *hypoteční zástavní listy*) pursuant to Section 28 *et seq.,* Part 2, Clause III of the Czech Bonds Act, whether issued under and governed by Czech or foreign law and whether issued under the Programme (as the Mortgage Covered Bonds), under the Local Bond Programme, under a programme yet to be established by the Issuer or on a standalone basis, which are then outstanding.

Czech Property Valuation Act means the Act No. 151/1997 Coll., on property valuation, as amended.

Dealer means UniCredit Bank AG, UniCredit Bank Czech Republic and Slovakia, a.s. and any other dealers appointed from time to time in accordance with the Dealer Agreement, which appointment may be for a specific issue or on an ongoing basis (together the **Dealers**).

Dealer Agreement means the amended and restated dealer agreement dated 24 June 2021 and entered into between the Issuer as issuer, UniCredit Bank AG as arranger and dealer and UniCredit Bank Czech Republic and Slovakia, a.s.as dealer.

Defaulted Loan means any Mortgage Loan included in the Cover Pool which is more than 90 days in arrears.

Derivatives mean rights arising out of a derivative in accordance with Section 2 point 5 of the Regulation (EU) No 648/2012 of the European Parliament and of the Council, on OTC derivatives, central counterparties and trade repositories (i.e. a financial instrument as set out in points (4) to (10) of Section C of Annex I to MiFID II), provided that all the relevant conditions set out in Section 31 of the Czech Bonds Act are met.

First Asset Monitor Calculation Date means 30 June 2020

Issue Date means a date on which the Issuer issues Mortgage Covered Bonds under the Programme;

Issuing and Paying Agency Agreement means the amended and restated issuing and paying agency agreement dated 24 June 2021 between the Issuer as issuer and Citibank, N.A., London Branch as principal paying agent.

Local Bond Programmes means the (third) CZK100,000,000,000 domestic bond programme of the Issuer for the issuance of both (i) mortgage covered bonds (in Czech, *hypoteční zástavní listy*) under Czech law which satisfy the requirements of Section 28 *et seq.,* Part 2, Clause III of the Czech Bonds Act and the Previous CNB Decree (and thus falling within the definition of the Czech Mortgage Covered Bonds) and (ii) other bonds issued under Czech law in accordance with the Czech Bonds Act, the (second, inactive) CZK 20,000,000,000 domestic bond programme with outstanding mortgage covered bonds (in Czech, *hypoteční zástavní listy*) under Czech law which satisfy the requirements of Section 28 *et seq*., Part 2, Clause III of the Czech Bonds Act and the Previous CNB Decree (and thus falling within the definition of the Czech Mortgage Covered Bonds) and an inactive EUR5,000,000,000 domestic bond programme of the Issuer, acting through its branch in Slovakia, for the issuance of (i) mortgage covered bonds (in Slovak, *hypotekárne záložné listy*) under Slovak law which satisfy the requirements of Section 14 *et seq.* of the Slovak Act No. 530/1990 Coll., on Bonds, as amended (the **Slovak Bonds Act**) and (ii) other bonds issued under Slovak law in accordance with the Slovak Bonds Act.

Monthly Date means the first day of each month (or if such day is not an Asset Monitor Business Day, then the immediately following Asset Monitor Business Day).

Mortgage Loans mean the Czech Bonds Act Mortgage Loans and the CRR Mortgage Loans included in the Cover Pool.

Mortgaged Property means in relation to any Mortgage Loan, the real property pledged to secure the Mortgage Loan fulfilling all the relevant conditions set out in Sections 29 and 30 of the Czech Bonds Act.

Mortgaged Property Value means the total value of all the Mortgaged Property as determined by the Issuer in accordance with applicable laws (including Section 29 of the Czech Bonds Act and the Czech Property Valuation Act) and the Issuer's internal rules for valuation of the Mortgaged Property. Unless required by the applicable laws otherwise, the Mortgaged Property Value shall be calculated in relation to any amount which is denominated in (i) a currency other than Czech Koruna, the Czech Koruna equivalent of such amount ascertained using the Relevant Exchange Rate relating to such amounts as at the relevant date and (ii) Czech Koruna, the applicable amount in Czech Koruna.

Nominal Value means the sum of the outstanding principal balances and any accrued and unpaid interest relating to the Czech Mortgage Covered Bonds, Mortgage Loans or any other debt or security as the case may be, calculated in relation to any amount which is denominated in (i) a currency other than Czech Koruna, by applying the Relevant Exchange Rate relating to such amounts and (ii) Czech Koruna, the applicable amount in Czech Koruna.

Potential Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute an Event of Default.

Previous CNB Decree means Decree of the CNB No. 164/2014 Coll. of 30 July 2014 (in Czech, *Vyhláška České národní banky č. 164/2014 Sb., ze dne 30. července 2014*) implementing certain provisions of the Czech Bonds Act, as replaced by the CNB Decree.

Programme means the €7,000,000,000 Mortgage Covered Bond Programme of the Issuer.

PSB's Receivables and Exposures mean CRR PSB's Receivables together with all receivables set out in Section 31(2)(b) and (c) of the Czech Bonds Act.

Rating Agency means Moody's Investors Service España, S.A. and includes any successor to its rating business.

Relevant Exchange Rate means the equivalent in Czech Koruna determined by the Issuer (i) at the rate available from the Czech National Bank or any successor source for the conversion of the relevant currency or currencies into Czech Koruna on the Banking Day before the relevant determination or, (ii) if no such direct exchange rate of the relevant currency or currencies to the Czech Koruna is available, the Issuer will use for conversions into Czech Koruna the exchange rate of the relevant currency or currencies (as available from the relevant central bank) to the U.S. dollar or the EUR and subsequently converting such amount in U.S. dollars or EUR pursuant to the valid U.S. dollar or EUR exchange rate to the Czech Koruna (as available from the Czech National Bank) on the Banking Day before the relevant determination.

Slovak Banking Act means Slovak Act No. 483/2001 Coll. on Banks, as amended.

Statutory Tests means all the mandatory statutory tests required by the applicable law or regulations to be fulfilled by the Issuer in respect of the Mortgage Covered Bonds or the Cover Pool, in particular the Czech Bonds Act, including those set out in Section 28a(1), (2) and (3) of the Czech Bonds Act.

Statutory Eligibility Criteria means the statutory eligibility criteria for Cover Assets included in the Cover Pool as set out in the applicable law or regulations, including the Czech Bonds Act and the CNB Decree, in particular Section 31 of the Czech Bonds Act.

Subsidiary means in relation to any person (the **First Person**) at any particular time, any other person (the **Second Person**):

(a) whose affairs and policies the First Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the Second Person or otherwise; or

(b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the First Person.

Transaction Documents means:

(a) the Terms and Conditions;

(b) the relevant set of the Final Terms;

(c) the Dealer Agreement; and

(d) the Issuing and Paying Agency Agreement.

(5) Unless a contrary indication appears, a reference in these Terms and Conditions to:

(a) any Transaction Document or any other agreement or instrument is a reference to that Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated; and

(b) a legal act or provision of law is a reference to that legal act or provision of law as amended, replaced or re-enacted.

(6) For the avoidance of any doubt, the Issuer is authorised to establish any additional Cover Pools in respect of Czech Mortgage Covered Bonds in the future. In such case, the then outstanding Mortgage Covered Bonds will remain covered by the Cover Pool existing on the Issue Date, as the same may be amended or supplemented from time to time.

§ 8

(Issuer Undertakings)

(1) The Issuer covenants to maintain the Cover Pool in accordance with the Statutory Eligibility Criteria, the Statutory Tests and other relevant requirements set out in the applicable law or regulations, including the Czech Bonds Act and the CNB Decree. The Issuer covenants that it will perform such checks and reviews as are required on each Asset Monitor Calculation Date and on each Issue Date to ensure that each Mortgage Loan included in the Cover Pool remains in compliance with the Statutory Eligibility Criteria and the Contractual Eligibility Criteria (as defined below). To the extent that it is not in compliance with the Statutory Eligibility Criteria or the Contractual Eligibility Criteria it will make such substitutions in the Cover Pool as are necessary to ensure compliance with the Statutory Eligibility Criteria and the Contractual Eligibility Criteria.

(2) The Issuer also covenants to ensure that the Contractual Adjusted Aggregate Cover Pool Balance is an amount at least equal to 110 per cent. of the outstanding Nominal Value of the Czech Mortgage Covered Bonds (the **Contractual Asset Cover Test**).

(3) The Issuer will check that it complies with the Statutory Tests and the Contractual Asset Cover Test on each Asset Monitor Calculation Date and on each Issue Date and, to the extent that it is not in compliance, it will make such substitutions in the Cover Pool as are necessary to ensure compliance with the Statutory Tests and the Contractual Asset Cover Test. For the avoidance of doubt, a breach of the Contractual

Asset Cover Test will not result in an Event of Default. However, whilst such breach is continuing the Issuer shall not issue any Czech Covered Bonds, which have the benefit of the Issuer's Cover Pool.

(4) The Issuer covenants that it will provide from time to time to the Rating Agency (or another rating agency which has rated the Mortgage Covered Bonds) and the Asset Monitor information on the current value of the Contractual Adjusted Aggregate Cover Pool Balance and will confirm compliance by the Issuer with the Contractual Asset Cover Test.

(5) In addition to the Statutory Eligibility Criteria, the Issuer covenants to ensure that the Cover Pool meets the following contractual eligibility criteria to (collectively the **Contractual Eligibility Criteria**):

(a) the Mortgage Loans are governed by Czech or Slovak law;

(b) the Mortgaged Property is real property, as evidenced by an extract from the Czech real estate register (in Czech, *katastr nemovitostí*) or the respective land registry in the relevant jurisdiction;

(c) the Mortgage Loans have been granted to one or more individuals or one or more legal entities;

(d) the Mortgage Loans are performing and there are no payments in respect of such loans that are due and unpaid for more than 90 days;

(e) the Mortgage Loan amount included in the Cover Pool is capped at a maximum loan to value ratio of 100 per cent.;

(f) the Issuer's Cover Pool does not contain any asset-backed securities; and

(g) the Mortgage Loans are not collateralised by agricultural land (where such agricultural land is subject to a separate mortgage and does not form a functional part of other mortgaged property) or other land not designated for construction purposes.

(6) The Issuer also covenants that, as long as any of the Mortgage Covered Bonds remains outstanding, it will:

(a) give notice to the Mortgage Covered Bondholders (in accordance with § 10) and to the Principal Paying Agent immediately on the occurrence of any Event of Default;

(b) at all times keep and procure that its Subsidiaries keep, proper books of account;

(c) maintain, at all times, its registered office in the Czech Republic and its authorisation under the Czech Banking Act to carry out its activity as a bank as well as all other authorisations and registrations required for the Programme under the laws and regulations of the Czech Republic (including, without limitation, the Czech Banking Act, the Czech Bonds Act, the Czech Capital Market Act and the Czech Capital Markets Supervision Act) and it shall furnish the CNB with any and all documents that may be necessary in order to maintain such authorisations or registrations;

(d) comply in all material respects with all of its obligations under the laws and regulations of the Czech Republic (including, without limitation, the Czech Banking Act, the Czech Bonds Act, the Czech Capital Market Act and the Czech Capital Markets Supervision Act) at such time and in such manner as required by such laws and regulations and, in particular, it shall comply in all material respects with all of its obligations under the CNB Decree and any other measure implementing the Czech Bonds Act in respect of mortgage covered bonds (in Czech, *hypoteční zástavní listy*), including, but not limited to, its obligations relating to administration of the Cover Assets Register and any other ongoing obligations of the Issuer in respect of the Czech Covered Bonds and the Cover Pool);

(e) comply in all material respects with all of its obligations under the laws and regulations of the Slovak Republic (including, without limitation, the Slovak Banking Act) at such time and in

such manner as required by such laws and regulations in respect of any Mortgage Loan governed by Slovak law comprised in the Cover Pool;

(f) publish, as soon as practicable after the time of issue thereof and in any event not later than 180 days after the last day of each financial period of the Issuer, in the English language of each report and audited accounts for the relevant financial year/financial period (as appropriate) containing a balance sheet and profit and loss account report or other notice, statement or circular issued to the creditors of the Issuer;

(g) publish, at the time of publication of its report and accounts pursuant to paragraph (f) above, a certificate signed by two Authorised Signatories of the Issuer certifying that, to the best of the knowledge, information and belief of the Issuer, (a) during the period between the date as of which the last certificate was given (or, in case of the first such certificate, the date hereof) and the date as of which such certificate is given, the Issuer has complied with its material obligations under these Terms and Conditions, the Issuing and Paying Agency Agreement and the other Transaction Documents or (if such is not the case) giving details of the circumstances of such non-compliance and (b) without prejudice to the generality of this paragraph (g) and paragraph (f) above, there did not exist as at a date not more than 10 days prior to the date of delivery of the certificate, on the part of the Issuer, any Event of Default or Potential Event of Default (as applicable) or, if any Event of Default or Potential Event of Default (as applicable) exists, giving details of the same;

(h) provide any Mortgage Covered Bondholder, upon its written request, with any report prepared by the Asset Monitor pursuant to the Asset Monitor Agreement;

(i) not amend, vary, novate, supplement or waive any term of the Asset Monitor Agreement, except for:

(i) changes of administrative nature or corrections of manifest errors;

(ii) changes necessary to reflect consequences of a change in, or a change in interpretation of, the applicable law or regulations, including the Czech Bonds Act, the CNB Decree and the CRR; or

(iii) changes that are not materially adverse to the interests of the Mortgage Covered Bondholders.

§ 9

(Events of Default)

(1) Each Mortgage Covered Bondholder shall be entitled to declare its Mortgage Covered Bonds due and demand immediate redemption thereof at the Redemption Amount, if any one or more of the following events (each an **Event of Default**) shall occur:

(a) non-payment of any payment obligations by the Issuer under or in connection with the Mortgage Covered Bonds which lasts for more than 10 (ten) Banking Days from the date when such obligations became due;

(b) the Issuer fails to comply with, perform or observe any of its other Significant Obligations and (except, in any case where the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) such failure continues and remains unremedied for the period of 45 (forty five) calendar days following the service by any Mortgage Covered Bondholder on the Issuer of notice requiring the same to be remedied;

(c) for the purposes of paragraph (b) above, **Significant Obligations** means any material obligations of the Issuer as set out in the Terms and Conditions and the Asset Monitor Agreement. For the avoidance of doubt, any breach of the Contractual Asset Cover Test would not be a breach of a Significant Obligation for the purposes of paragraph (b) above; or

(d) the Issuer fails to comply with the Statutory Tests for a period longer than three months.

For the avoidance of doubt, a breach of the Contractual Asset Cover Test will not result in an Event of Default. However, whilst such breach is continuing the Issuer must not issue any Czech Mortgage Covered Bonds which have the benefit of the Cover Pool.

The right to declare the Mortgage Covered Bonds due and payable shall terminate if the relevant event of default has been cured before the right is exercised.

(2) Any notice declaring the Mortgage Covered Bonds due pursuant to paragraph (1) shall be made by means of a notice in text form by the Mortgage Covered Bondholder to be delivered to the Principal Paying Agent by hand or registered mail together with sufficiently conclusive proof that such Mortgage Covered Bondholder at the time of such notice is a holder of the relevant Mortgage Covered Bonds. The Mortgage Covered Bonds shall fall and payable due upon receipt of the notice by the Principal Paying Agent. The Principal Paying Agent shall promptly forward the notice to the Issuer without further examination.

§ 10

(Notices)

[*In the case of Mortgage Covered Bonds which are listed on a Stock Exchange insert*:

(1) Publication.

[*If notices may not be given by means of electronic publication on the website of the relevant stock exchange, insert*:

All notices concerning the Mortgage Covered Bonds shall be published in the Federal Gazette (in German, *Bundesanzeiger*) **[**and**]**

[If the publication is legally required to be made additionally in a newspaper authorised by the Stock Exchanges in Germany, insert:, to the extent legally required in one newspaper authorised by the Stock Exchanges in Germany (in German, Börsenpflichtblatt). This newspaper is expected to be **[**insert newspaper authorised by the Stock Exchange**].] [**If publication in this newspaper is no longer possible, the notices shall be published in another newspaper authorised by the Stock Exchanges in Germany (in German, Börsenpflichtblatt).**]**

Any notice will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first of such publications).**]**

[*If notices may be given by means of electronic publication on the website of the relevant Stock Exchange, insert*:

All notices concerning the Mortgage Covered Bonds will be made **[**additionally**]** by means of electronic publication on the internet website of the **[***insert relevant stock exchange***]** (www.**[***insert internet address***]**). Any notice will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first of such publications).**]]**

[(2)**]** *Notification to Clearing System*.

[*In the case of Mortgage Covered Bonds which are unlisted, insert*:

The Issuer shall deliver all notices concerning the Mortgage Covered Bonds to the Clearing System for communication by the Clearing System to the Mortgage Covered Bondholders. Any such notice shall be deemed to have been given to the Mortgage Covered Bondholders on the fourth **[**TARGET2**] [**London**]**

[*insert other financial centre***]** Banking Day after the day on which the said notice was given to the Clearing System.**]**

[*In the case of Mortgage Covered Bonds which are listed on a stock exchange, insert*:

The Issuer may, in lieu of publication in the newspapers set forth in paragraph (1) above, deliver the relevant notice to the Clearing System, for communication by the Clearing System to the Mortgage Covered Bondholders, provided that, the rules of the Stock Exchange on which Mortgage Covered Bonds are listed permit such form of notice. Any such notice shall be deemed to have been given to the Mortgage Covered Bondholders on the fourth **[**TARGET2**] [**London**] [***insert other financial centre***]** Banking Day after the day on which the said notice was given to the Clearing System.**]**

[*In the case of a TARGET2 Banking Day, insert:* **TARGET2 Banking Day** means a day (other than a Saturday or Sunday) on which TARGET2 is operational.**]**

[*In the case of a non-TARGET2 Banking Day, insert:* **[London] [***insert other financial centre***] Banking Day** means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in **[**London**] [***insert other financial centre***]].]**

§ 11

(Repurchase)

The Issuer shall be entitled at any time to purchase Mortgage Covered Bonds in the market or otherwise and at any price. Mortgage Covered Bonds repurchased by the Issuer may, at the Issuer's discretion, be held, resold or forwarded to the Principal Paying Agent for cancellation.

§ 12

(Presentation Period)

The presentation period provided in § 801 paragraph (1) sentence 1 of the German Civil Code (*BGB*) is reduced to ten years for the Mortgage Covered Bonds.

§ 13

(Partial Invalidity)

Should any provision of these Terms and Conditions of the Mortgage Covered Bonds 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 of the Mortgage Covered Bonds is to be filled with a provision that corresponds to the meaning and intent of these Terms and Conditions of the Mortgage Covered Bonds and is in the interest of the parties.

§ 14

(Applicable Law, Place of Jurisdiction, Language)

(1) The Mortgage Covered Bonds, as to form and content, and all rights and obligations of the Issuer and the Mortgage Covered Bondholders shall be governed by the laws of the Federal Republic of Germany.

(2) The Mortgage Covered Bonds, although otherwise governed by, and construed in accordance with, the laws of the Federal Republic of Germany, will be subject to and will benefit from those provisions of the Czech Bonds Act, the CNB Decree, the Czech Insolvency Act and any other provisions of Czech law applicable to or relevant for the Czech Mortgage Covered Bonds. Therefore, the Mortgage Covered Bonds will need to satisfy requirements of Sections 28 et seq., Part 2, Clause III of the Czech Bonds Act and the Cover Pool and its maintenance will be governed by Czech law. Also, Section 375 of the Czech

Insolvency Act and other relevant provisions of the Czech Insolvency Act will apply to the Mortgage Covered Bonds and the Cover Pool in the case of insolvency proceedings against the Issuer.

(3) The Cover Pool will be subject to and will benefit from, in respect of Mortgage Loans governed by Slovak law comprised in the Cover Pool, those provisions of the Slovak Banking Act and any other provisions of Slovak law applicable to or relevant for the Slovak loans secured by way of mortgage.

(4) To the extent permitted by law, all legal disputes arising from or in connection with the matters governed by the terms and conditions of these Mortgage Covered Bonds shall be brought before the court in Munich.

[*Insert if the Terms and Conditions are written in the German language and an English language translation will be provided*:

(5) These Terms and Conditions are written in the German language. An English language translation is attached. The German text shall be controlling and binding. The English language translation is provided for convenience only.**]**

[*Insert if the Terms and Conditions are written in the English language and a German language translation will be provided*.]

(5) These Terms and Conditions are written in the English language. A German language translation is attached. The English text shall be controlling and binding. The German language translation is provided for convenience only.]

[*Insert if the Terms and Conditions are written only in the English language:*

(5) These Terms and Conditions are written only in the English language.**]**

§ 15

(Amendments to the Terms and Conditions)

(1) §§ 5 et seq. of the German Bond Act (in German, *Gesetz über Schuldverschreibungen aus Gesamtemissionen* (the **SchVG**)), shall be applicable in relation to the Mortgage Covered Bonds. Thus, the Issuer may amend these Terms and Conditions with consent by majority resolution of the Mortgage Covered Bondholders.

(2) The Mortgage Covered Bondholders may in particular agree by majority resolution to the following:

(a) a change of the due date for payment of interest, the reduction or the cancellation of interest;

(b) a change of the due date for payment of principal;

(c) a reduction of principal;

(d) a subordination of claims arising from the Mortgage Covered Bonds in insolvency proceedings of the Issuer;

(e) a conversion of the Mortgage Covered Bonds into, or the exchange of the Mortgage Covered Bonds for, shares, other securities or obligations;

(f) an exchange or release of security;

(g) a change of the currency of the Mortgage Covered Bonds;

(h) a waiver or restriction of Mortgage Covered Bondholders' termination rights under the Mortgage Covered Bonds;

(i) an amendment or a rescission of ancillary provisions of the Mortgage Covered Bonds; and

(j) an appointment or a removal of a common representative for the Mortgage Covered Bondholders.

No obligation to make any payment or to render any other performance shall be imposed on any Mortgage Covered Bondholder by majority resolution.

(3) The Mortgage Covered Bondholders shall pass resolutions by vote taken [in a bondholders' meeting][without a physical meeting pursuant to § 18 SchVG].

A meeting of Mortgage Covered Bondholders will be called for by the Issuer or the Common Representative (as defined in paragraph (8) below). Pursuant to § 9 (1) sent. (1) SchVG in connection with § 18 SchVG, a meeting of Mortgage Covered Bondholders must be called if Mortgage Covered Bondholders holding Mortgage Covered Bonds amounting to 5 per cent. of the outstanding principal amount of the Mortgage Covered Bonds request so, in writing, with reference to one of the reasons set out in § 9 (1) sent. (1) SchVG.

(4) Except as provided in the following sentence and provided that the requisite quorum is present, a resolution of the Mortgage Covered Bondholders will be passed by simple majority of the rights to vote participating in the vote.

In the cases of this § 15 (2) items (a) through (i), in order to be passed, resolutions require a majority of not less than 75 per cent. of the rights to vote participating in the vote.

(5) Each Mortgage Covered Bondholder participating in any vote shall cast votes in accordance with the principal amount or the notional fraction of its entitlement to the outstanding Mortgage Covered Bonds. As long as the entitlement to the Mortgage Covered Bonds lies with, or the Mortgage Covered Bonds are held for the account of, the Issuer or any of its affiliates (§ 271 (2) of the German Commercial Code (in German, *Handelsgesetzbuch*)), the right to vote in respect of such Mortgage Covered Bonds shall be suspended. The Issuer may not transfer Mortgage Covered Bonds, of which the voting rights are so suspended, to another person for the purpose of exercising such voting rights in the place of the Issuer; this shall also apply to any affiliate of the Issuer. No person shall be permitted to exercise such voting right for the purpose stipulated in sent. (3), first half sentence, herein above.

(6) Binding Effect: Majority resolutions shall be binding on all Mortgage Covered Bondholders. Resolutions which do not provide for identical conditions for all Mortgage Covered Bondholders are void, unless Mortgage Covered Bondholders who are disadvantaged have expressly consented to their being treated disadvantageously.

(7) Mortgage Covered Bondholders must demonstrate their eligibility to participate in the vote at the time of voting by means of a special confirmation of the Custodian (as defined below) and by submission of a blocking instruction by the Custodian for the benefit of the Principal Paying Agent for the voting period.

The statement issued by the Custodian must

(a) indicate the full name and address of the Mortgage Covered Bondholder;

(b) specify the aggregate principal amount of Mortgage Covered Bonds credited to such securities account on the date of such statement; and

(c) confirm that the Custodian has given a written notice to the Clearing System and the Principal Paying Agent containing the information pursuant to (a) and (b) as well as confirmations by the Clearing System.

Custodian means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Mortgage Covered Bondholder maintains a securities account in respect of the Mortgage Covered Bonds including the Clearing System.

(8) The Mortgage Covered Bondholders may by majority resolution appoint a common representative (the **Common Representative**) to exercise the Mortgage Covered Bondholders' rights on behalf of each

Mortgage Covered Bondholder. Any natural person having legal capacity or any qualified legal person may act as Common Representative. Any person who:

(a) is a member of the management board, the supervisory board, the board of directors or any similar body, or an officer or employee, of the Issuer or any of its affiliates;

(b) holds an interest of at least 20 per cent. in the share capital of the Issuer or of any of its affiliates;

(c) is a financial creditor of the Issuer or any of its affiliates, holding a claim in the amount of at least 20 per cent. of the outstanding Mortgage Covered Bonds, or is a member of a corporate body, an officer or other employee of such financial creditor; or

(d) is subject to the control of any of the persons set forth in numbers (i) to (iii) above by reason of a special personal relationship with such person

must disclose the relevant circumstances to the Mortgage Covered Bondholders prior to being appointed as a Common Representative. If any such circumstances arise after the appointment of a Common Representative, the Common Representative shall inform the Mortgage Covered Bondholders promptly in appropriate form and manner.

(9) The Common Representative shall have the duties and powers provided by law or granted by majority resolution of the Mortgage Covered Bondholders. The Common Representative shall comply with the instructions of the Mortgage Covered Bondholders. To the extent that the Common Representative has been authorised to assert certain rights of the Mortgage Covered Bondholders, the Mortgage Covered Bondholders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Common Representative shall provide reports to the Mortgage Covered Bondholders on its activities.

(10) The Common Representative shall be liable for the performance of its duties towards the Mortgage Covered Bondholders who shall be joint and several creditors (in German, *Gesamtgläubiger*); in the performance of its duties it shall act with the diligence and care of a prudent business manager. [*If the liability of the Common Representative may be limited by resolution of the Mortgage Covered Bondholders, insert*: The liability of the Common Representative may be limited by a resolution passed by the Mortgage Covered Bondholders.][If the liability of the Common Representative may be limited to a fixed amount, insert: The liability of the Common Representative may be limited to [[*insert amount*] times its annual remuneration] [*insert amount*].] The Mortgage Covered Bondholders shall decide upon the assertion of claims for compensation of the Mortgage Covered Bondholders against the Common Representative.

(11) The Common Representative may be removed from office at any time by the Mortgage Covered Bondholders without specifying any reasons. The Common Representative may request all information required for the performance of the duties entrusted to it from the Issuer. The Issuer shall bear the costs and expenses arising from the appointment of a Common Representative, including reasonable remuneration of the Common Representative.

Option III: Terms and Conditions of Zero Coupon Mortgage Covered Bonds

§ 1

(Series, Form of Mortgage Covered Bonds, Issuance of Additional Mortgage Covered Bonds)

(1) This Tranche of the series (the **Series**) of Mortgage Covered Bonds (in Czech, *hypoteční zástavní listy*) (the **Mortgage Covered Bonds**) of UniCredit Bank Czech Republic and Slovakia, a.s. (the **Issuer**) is being issued on **[***insert Issue Date***]** (the **Issue Date**) in bearer form pursuant to these terms and conditions (the **Terms and Conditions**) in **[***insert Specified Currency***]** (the **Specified Currency**) in the aggregate principal amount of **[***insert Aggregate Principal Amount***]** (the **Aggregate Principal Amount**) in the denomination of **[***insert Specified Denomination***]** (the **Specified Denomination**).

[In the case of a Temporary Global Note, which is exchanged for a Permanent Global Note, insert:

(2) The Mortgage Covered Bonds are initially represented by a temporary global note (the **Temporary Global Note**) without interest coupons. The Temporary Global Note will be exchanged for a permanent global note in bearer form (the **Permanent Global Note**, and, together with the Temporary Global Note, the **Global Notes** and each a **Global Note**) on or after the 40th day after the Issue Date (the **Exchange Date**) only upon delivery of certifications, to the effect that the beneficial owner or owners of the Mortgage Covered Bonds represented by the Temporary Global Note is not a U.S. person or are not U.S. persons (other than certain financial institutions or certain persons holding the Mortgage Covered Bonds through such financial institutions) (the **Non-U.S. Beneficial Ownership Certificates**). **[***If Clearstream, Luxembourg and Euroclear are specified as Clearing System, the following applies:* The details of such exchange shall be entered into the records of the ICSDs (as defined below).**]**

The holders of the Mortgage Covered Bonds (the **Mortgage Covered Bondholders**) are not entitled to receive definitive Mortgage Covered Bonds. The Mortgage Covered Bonds as co-ownership interests in the Global Notes may be transferred pursuant to the relevant regulations of the Clearing System. The right to receive payments is represented by the Permanent Global Note.

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

The Global Notes bear the manual or facsimile signatures of two authorised representatives of the Issuer as well as the manual signature of a control officer of the Principal Paying Agent (as defined in § 5 below)**.]**

[*In the case of a Permanent Global Note from the Issue Date, insert*:

(3) The Mortgage Covered Bonds are represented by a Permanent Global Note (the **Permanent Global Note** or **Global Note**) without interest coupons, which bears the manual or facsimile signatures of two Authorised Signatories of the Issuer as well as the manual signature of a control officer of the Principal Paying Agent (as defined in § 5 below). The holders of the Mortgage Covered Bonds (the **Mortgage Covered Bondholders**) are not entitled to receive definitive Mortgage Covered Bonds. The Mortgage Covered Bonds as co-ownership interests in the Global Note may be transferred pursuant to the relevant regulations of the Clearing System. The right to receive payments is represented by the Global Note.**]**

(4) Each Global Note will be kept in custody by or on behalf of a Clearing System. **Clearing System** means Clearstream Banking société anonyme, Luxembourg (**Clearstream, Luxembourg**) and Euroclear Bank SA/NV (**Euroclear**).] **[**Clearstream Banking AG, Frankfurt (**CBF**).**] [**(Clearstream, Luxembourg and

Euroclear are individually referred to as an **ICSD** (*International Central Securities Depositary*) and, collectively, the **ICSDs**).]

[*In the case of Euroclear and Clearstream, Luxembourg and if the Temporary Global Note or the Permanent Global Note is not a New Global Note, insert*:

(5) The Mortgage Covered Bonds are issued in classical global note form and are kept in custody by a common depositary on behalf of both ICSDs.**]**

[*In the case of Euroclear and Clearstream, Luxembourg and if the Temporary Global Note or the Permanent Global Note is a New Global Note, insert*:

(6) The Mortgage Covered Bonds are issued in new global note form and are kept in custody by a common safekeeper (the **Common Safekeeper**) on behalf of both ICSDs. The principal amount of the Mortgage Covered Bonds represented by the Global Note shall be the aggregate amount entered into the records of both ICSDs from time to time. The records of the ICSDs (which each ICSD holds for its customers reflecting the amount of such customer's interest in the Mortgage Covered Bonds) shall be conclusive evidence of the principal amount of the Mortgage Covered Bonds represented by the Global Note and, for these purposes, a statement issued by an ICSD stating the principal amount of the Mortgage Covered Bonds so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or purchase and cancellation of any of the Mortgage Covered Bonds represented by the Global Note details of such redemption, or purchase and cancellation (as the case may be) in respect of the Global Note, shall be entered *pro rata* into the records of the ICSDs and, upon any such entry being made, the principal amount of the Mortgage Covered Bonds reflected in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate principal amount of the Mortgage Covered Bonds so redeemed or purchased and cancelled. **[***If the Mortgage Covered Bonds may be partially redeemed on the basis of an optional redemption right, insert:* For technical procedure of the ICSDs, in the case of the exercise of an optional redemption (as defined in § 3) relating to a partial redemption, the outstanding Redemption Amount (as defined below) will be reflected in the records of the ICSDs as either a nominal reduction or as a pool factor, at the reasonable discretion of the ICSDs pursuant to § 317 BGB.**]**

[(4)**][**(5)**]** The Issuer reserves the right from time to time without the consent of the Mortgage Covered Bondholders to issue additional Mortgage Covered Bonds with identical terms, so that the same shall be consolidated and form a single series with the Series comprising the Mortgage Covered Bonds. The term "*Mortgage Covered Bonds*" shall, in the event of such increase, also comprise all additionally issued Mortgage Covered Bonds.

§ 2

(Interest)

(1) During their lifetime, there will be no periodic interest payment on the Mortgage Covered Bonds.

[*If the default interest on the Redemption Amount [and the Optional Redemption Amount] [and the Early Redemption Amount] accrues in accordance with the Amortisation Yield, insert:*

(2) **Day Count Fraction** means, in respect of the calculation of an amount of interest on any Mortgage Covered Bonds for any period of time (the **Calculation Period**):

[*In the case of Actual / Actual (ICMA), insert:*

the actual number of days in such Calculation Period (from, and including, the first day of such period to, but excluding, the last) divided by the actual number of days in the relevant calendar year.**]**

[*In the case of 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).**]**

[*In the case of Actual / 365 (Fixed), insert:*

the actual number of days in the Calculation Period divided by 365.**]**

[*In the case of Actual / 360, insert:*

the actual number of days in the Calculation Period divided by 360.**]**

[*In the case of 30/360, 360/360 or Bond Basis in accordance with ISDA 2000 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 (A) 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 (B) 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).**]]**

§ 3

(Maturity, Redemption Amount [, Redemption for tax reasons, Redemption due to illegality or invalidity, Optional Redemption at the Option of the Issuer (Call Option)])

(1) The Mortgage Covered Bonds shall be redeemed on **[***insert Maturity Date***]** (the **Maturity Date**) at **[***If the Mortgage Covered Bonds are redeemed at their Specified Denomination, insert*: their Specified Denomination**] [***If the Mortgage Covered Bonds are redeemed at an amount other than their Specified Denomination, insert*: **[***insert amount***]** per Specified Denomination**]** (the **Redemption Amount**). For the purpose of § 3(2), § 3(3) and § 9, each Mortgage Covered Bonds will be redeemed at its early redemption amount (the **Early Redemption Amount**) calculated in accordance with the following formula:

Early Redemption Amount = $RP \times (1 + AY)^{y}$

where:

RP means [*insert Reference Price*];

AY means [*insert Amortisation Yield expressed as a decimal*]; and

y is the Day Count Fraction (as defined under § 2).

[*In the case of redemption for tax reasons, insert:*

(2) The Mortgage Covered Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than [*insert minimum numbers of days*] and not more than [*insert maximum numbers of days*] days' notice to the Principal Paying Agent and, in accordance with § 10, the Mortgage Covered Bondholders (which notice shall be irrevocable), if:

(a) on the occasion of the next payment due under the Mortgage Covered Bonds, the Issuer has or will become obliged to pay additional amounts as provided or referred to in § 6 as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in § 6) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Mortgage Covered Bonds; and

(b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Mortgage Covered Bonds then due.

Prior to the publication of any notice of redemption pursuant to this § 3(2), the Issuer shall deliver to the Principal Paying Agent to make available at its specified office to the Mortgage Covered Bondholders (i) a certificate signed by two Authorised Signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment, in which event it shall be conclusive and binding on the Mortgage Covered Bondholders. The Principal Paying Agent is not responsible, nor shall it incur any liability, for monitoring or ascertaining as to whether any certifications and/or opinions required by this § 3(2) are provided, nor shall it be required to review, check or analyse any certifications and/or opinions produced nor shall it be responsible for contents of any such certifications and/or opinions or incur any liability in the event the content of such certifications and/or opinions or incur any liability in the event the content of such certification and/or opinions is inaccurate or incorrect. The Mortgage Covered Bonds redeemed pursuant to this § 3(2) will be redeemed at their Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption.]

[(2)][(3)] The Mortgage Covered Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than [*insert minimum numbers of days*]and not more than [*insert*

maximum numbers of days] days' notice to the Principal Paying Agent and, in accordance with § 10, all Mortgage Covered Bondholders (which notice shall be irrevocable), if it has, or will, before the next Interest Payment Date of any Mortgage Covered Bond, become unlawful for the Issuer to allow to remain outstanding any Mortgage Covered Bonds as a result of any change in, or amendment to, the applicable laws or regulations or any change in the application or official interpretation of such laws or regulations, which change or amendment has become or will become effective before the next such Interest Payment Date.

Prior to the publication of any notice of redemption pursuant to this § 3[(2)][(3)], the Issuer delivers to the Principal Paying Agent to make available at its specified office to the Mortgage Covered Bondholders a certificate signed by two Authorised Signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred. The Principal Paying Agent is not responsible, nor shall it incur any liability, for monitoring or ascertaining as to whether any certifications required by this § 3[(2)][(3)] are provided, nor shall it be required to review, check or analyse any certifications produced nor shall it be responsible for contents of any such certifications or incur any liability in the event the content of such certifications or incur any liability in the event the content of such certification is inaccurate or incorrect. Mortgage Covered Bonds redeemed pursuant to this § 3[(2)][(3)] will be redeemed at their Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption.

[*In the case of optional redemption at the option of the Issuer (Call-Option), insert:*

[(3)][(4)] The Issuer may on **[***insert Call Date(s)***] [**of each year, commencing on **[***insert date***]] ([**the**][**each such date a**] Call Date**) redeem the Mortgage Covered Bonds in whole **[**or in part**]**. The Issuer will give notice of such redemption at least **[***insert number (at least 5 Banking Days)***][**Banking Days (as defined in § 4 **[**(2)**][**(3)**]** below)**][**months**]** prior to the **[**relevant**]** Call Date pursuant to § 8. Such notice shall be irrevocable and shall specify the **[**relevant**]** Call Date. The Mortgage Covered Bonds will be redeemed at the **[**relevant**]** Call Date at the Optional Redemption Amount pursuant to the provisions in § 4.

The Optional Redemption Amount (the **Optional Redemption Amount**) [per Mortgage Covered Bond] [of the Mortgage Covered Bonds] shall be **[**its Specified Denomination**]** [their Aggregate Principal Amount**] [**as follows:

[Call Date(s)	Optional Redemption Amount(s)
[*insert Call Date(s)***]**	**[***insert Optional Redemption Amount(s) which may not be lower than the principal amount/issue price***]]]**

([4][5]) If the Issuer fails to pay the Redemption Amount [and the Optional Redemption Amount] [and the Early Redemption Amount] when due, such amount shall bear interest from the due date for redemption or the Maturity Date of the relevant Mortgage Covered Bonds, respectively, until the expiry of the day preceding the day of the actual redemption of the Mortgage Covered Bonds **[**in the amount of the default rate of interest established by law][14] [in an amount equal to the sum of

(a) [*insert Reference Price*] (the **Reference Price**), and

(b) the product of [*insert Amortisation Yield in per cent.*] (the **Amortisation Yield**) and the Reference Price from (and including) [*insert Issue Date*] to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Mortgage Covered Bonds become due and payable, whereby the Amortisation Yield shall be compounded annually.

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 shall be made on the basis of the Day Count Fraction (as defined under § 2).**]**

[14] The default rate of interest pursuant to §§ 288 paragraph 1, 247 paragraph 1 of the German Civil Code (BGB) is five percentage points (if at least one consumer is involved) or eight percentage points (if no consumer is involved) above the basic rate of interest published by the German Central Bank (Deutsche Bundesbank) from time to time.

§ 4

(Payments)

(1) The Issuer undertakes

(a) to pay the Redemption Amount on the Maturity Date**[**or**]**

[*In the case of an Optional Redemption Amount, insert*:

(b) to pay the Optional Redemption Amount on the Call Date.]

[*In the case of a redemption pursuant to § 3(2)), insert*:

(c) to pay the Early Redemption Amount on the date of redemption determined pursuant to § 3(2) including any interest accrued until such date of redemption [.] **[**or**]**]

[*In the case of a redemption pursuant to § 3[(2)][(3)], insert*:

(d) to pay the Early Redemption Amount on the date of redemption determined pursuant to § 3[(2)][(3)] including any interest accrued until such date of redemption[.]]

The amounts mentioned in this paragraph (1) and all further amounts payable under these Terms and Conditions shall be rounded **[***If the Specified Currency is Euro, insert:* up or down to the nearest 0.01 Euro, with 0.005 Euro being rounded **[**upwards**][**always downwards**]] [***If the Specified Currency is not Euro, insert*: up or down to the smallest unit of the Specified Currency, with 0.5 of such unit being rounded **[**upwards**][**always downwards**]**.

[*In the case of dual currency Mortgage Covered Bonds, insert*:

(2) The payment of the Redemption Amount**[**,**][**and**]** **[**the Optional Redemption Amount**]** [and] [the Early Redemption Amount] will be settled in **[***insert currency***]**.

[The conversion of the amounts payable in [*insert currency*] is effected by using the Settlement Rate on the Rate Calculation Date applicable to the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**]** **[**the Optional Redemption Amount**]** [and] [the Early Redemption Amount], respectively.

Settlement Rate means [the "[*insert first exchange rate*]" multiplied by the "[*insert second exchange rate*]"] [*insert conversion rate*] on the applicable Rate Calculation Date.

"**[***insert first exchange rate*]" means the **[***insert sponsor*]'s (a **Fixing Sponsor**) published **[***insert relevant rate*] spot rate (a **Spot Rate**) (expressed as a number of [*insert currency*] per [one][●] [*insert currency*]) which appears on Reuters Screen page "[*insert page*]" at approximately [*insert time*] [*insert other time zone*]) on the applicable Rate Calculation Date.

"**[***insert second exchange rate*]" means **[***insert sponsor*]'s (a **Fixing Sponsor**) published **[***insert relevant rate*] spot rate (a **Spot Rate**) (expressed as a number of [*insert currency*] per [one][●] [*insert currency*]) which appears on Reuters Screen page "[*insert page*]" at approximately [*insert time*] [*insert time zone*]) on the applicable Rate Calculation Date.

Rate Calculation Date means the [second] [*insert day*] Bank Working Day prior to the payment of the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**]** **[**the Optional Redemption Amount**]** [and] [the Early Redemption Amount], respectively, in accordance with the Business Day Convention.

[Bank Working Day means [TARGET2][, [*insert financial centre*] [and [*insert financial centre*]].]

Market Disruption means:

(a) the failure to publish any of the Spot Rates by the relevant Fixing Sponsor,

(b) the suspension or restriction in foreign exchange trading for at least one of the relevant currencies quoted as a part of the Settlement Rate (including options or futures contracts) or the

restriction of the convertibility of the currencies quoted in such exchange rate or the effective impossibility of obtaining a quotation of such exchange rate, or

(c) any other events the commercial effects of which are similar to the events listed above

to the extent that the above-mentioned events in the opinion of the Issuer are material.

If a Market Disruption occurs on any Rate Calculation Date as specified above, such Rate Calculation Date shall be postponed to the next following Bank Working Day prior to the payment of the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**]** **[**the Optional Redemption Amount**]** [and] [the Early Redemption Amount], respectively.

If the Market Disruption continues after such day the last available Settlement Rate before the occurrence of the Market Disruption shall be taken for calculation of the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**]** **[**the Optional Redemption Amount**]** [and] [the Early Redemption Amount], respectively.

In the event that any of the Spot Rates is no longer determined and published by a Fixing Sponsor but by another person, company or institution (the **Replacement Fixing Sponsor**), the Issuer may determine the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**]** **[**the Optional Redemption Amount**]** [and] [the Early Redemption Amount], respectively, on the basis of the Settlement Rate as calculated and published by the Replacement Fixing Sponsor. In case of election of a Replacement Fixing Sponsor, each and every reference to the Fixing Sponsor, depending on the context, shall be deemed to refer to the Replacement Fixing Sponsor.

In the event that any of the Spot Rates is no longer determined and published, the Issuer may determine the Redemption Amount**[**,**][**and**]** the Interest Amount(s) **[**and**]** **[**the Optional Redemption Amount**]** [and] [the Early Redemption Amount], respectively, on the basis of another Settlement Rate (the **Replacement Exchange Rate**) as calculated and published by the relevant Fixing Sponsor or Replacement Fixing Sponsor, as the case may be. In case of election of a Replacement Exchange Rate, each and every reference to the Settlement Rate, depending on the context, shall be deemed to refer to the Replacement Exchange Rate.

Should the Issuer come to the conclusion that

(a) a replacement of any Fixing Sponsor is not available;

(b) a replacement of the Settlement Rate is not available; or

(c) due to the occurrence of special circumstances or force majeur such as catastrophes, war, terror, insurgency, restrictions on payment transactions, entering of the currency used for the calculation of the relevant Spot Rate into the European Monetary Union and other circumstances having a comparable impact on the Settlement Rate the reliable determination of the Settlement Rate is impossible or impracticable,

the Issuer will determine the Settlement Rate in its own reasonable discretion pursuant to the German Civil Code (*Bürgerliches Gesetzbuch "BGB"*).**]**

[The conversion of the amounts payable in **[**Euro**]** **[•]** is effected in .**]** **[**At least **[**EUR**]** **[•]** **[**0.001**]** **[•]** [per Specified Denomination] **[**for the Aggregate Principal Amount**]** will be paid.**]]**

([2**][**3**])** If the due date for any payment under the Mortgage Covered Bonds (the **Payment Date**) is not a Banking Day then

[*In the case of Following Business Day Convention, insert:*

the Mortgage Covered Bondholders shall not be entitled to any payment until the next following Banking Day.**]**

[*In the case of Modified Following Business Day Convention, insert:*

the Mortgage Covered Bondholders shall not be entitled to payment until the next following Banking Day unless it would thereby fall into the next calendar month in which event the payment shall be made on the immediately preceding Banking Day.**]**

[*In the case of Preceding Business Day Convention, insert:*

the Mortgage Covered Bondholders shall be entitled to payment on the immediately preceding Banking Day.**]**

[*For any Business Day Convention, if no adjustment is effected, insert:*

the Mortgage Covered Bondholders shall not be entitled to interest or other payments in respect of such delay.**]**

[*For any Business Day Convention, if an adjustment is effected, insert:*

In the event that the maturity of a payment is **[**brought forward**][**or**][**postponed**]** as described above, such Payment Date and the respective payment will be adjusted accordingly.**]**

Banking Day means each day (other than a Saturday or Sunday) on which the Clearing System **[***If the Specified Currency is Euro or if TARGET2 is needed for other reasons, insert*: and TARGET2**] [**is**] [**are**]** open for business **[***If the Specified Currency is not Euro or if needed for other reasons, insert*: and commercial banks and foreign exchange markets settle payments in **[***insert all relevant financial centres***]**.

[*If TARGET2 applies, insert:* **TARGET2** means the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2).**]**

(3) All payments shall be made to the Principal Paying Agent (as defined in § 5). The Principal Paying Agent shall pay the amounts due to the Clearing System for credit to the respective accounts of the depository banks for transfer to the Mortgage Covered Bondholders. The payment to the Clearing System shall discharge the Issuer from its obligations under the Mortgage Covered Bonds in the amount of such payment.

(4) If the Issuer fails to make any payment under the Mortgage Covered Bonds when due, accrual of interest on due amounts continues on the basis of the default interest rate established by law[15] [(unless, the relevant amount payable is subject to the accrual of interest on the basis of the default rate established by law as set out in § **[**(2)**][**(3)] above)**]**. Such accrual of interest starts on the due date of that payment (including) and ends at the end of the day preceding the effective date of payment (excluding).

[*In the case of a Temporary Global Note, insert*:

[15] The default rate of interest pursuant to §§ 288 para 1, 247 para 1 of the German Civil Code (BGB) is five percentage points (if at least one consumer is involved) or eight percentage points (if no consumer is involved) above the basic rate of interest published by the German Central Bank (Deutsche Bundesbank) from time to time.

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

§ 5

(Principal Paying Agent, Paying Agent)

(1) The Principal Paying Agent is **[**Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom**]** **[***insert other entity appointed as Principal Paying Agent***]** (the **Principal Paying Agent**). The Issuer may appoint additional paying agents (the **Paying Agents**) and revoke such appointment. The appointment and revocation shall be published pursuant to § 10.

[Additional paying agent as of **[***insert date***]** is **[***insert entity appointed as additional paying agent***]**.**]**

(2) Should any event occur which results in the Principal Paying Agent **[**or any additional Paying Agent**]** being unable to continue in its function as Principal Paying Agent **[**or any additional Paying Agent**]**, the Issuer is obliged to appoint another bank of international standing as Principal Paying Agent **[**or as additional Paying Agent**]**. Any such transfer of the functions of the Principal Paying Agent **[**or any additional Paying Agent**]** shall be notified promptly by the Issuer pursuant to § 10.

(3) In connection with the Mortgage Covered Bonds, the Principal Paying Agent**[**and the Paying Agent**[**s**]]** act solely as agents of the Issuer and do**[**es**]** not assume any obligations towards or relationship of agency or trust for or with any of the Mortgage Covered Bondholders. The Principal Paying Agent **[**and the Paying Agent**[**s**]]** shall be exempt from the restrictions of § 181 German Civil Code.

§ 6

(Taxes)

[*If a tax gross-up obligation does not apply, insert:*

(1) Payments in respect of the Mortgage Covered Bonds shall only be made after deduction and withholding of current or future taxes, levies or governmental charges, regardless of their nature, which are imposed, levied or collected (the **Taxes**) under any applicable system of law or in any country which claims fiscal jurisdiction by or for the account of any political subdivision thereof or government agency therein authorised to levy Taxes, to the extent that such deduction or withholding is required by law. The Issuer shall account for the deducted or withheld Taxes with the competent government agencies.]

[*If a tax gross-up obligation applies, insert:*

(1) All payments of principal and interest in respect of the Mortgage Covered Bonds by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Mortgage Covered Bonds after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Mortgage Covered Bonds, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Mortgage Covered Bond:

(a) presented for payment in the Czech Republic; or

(b) the holder of which is liable for such taxes or duties in respect of such Mortgage Covered Bond by reason of his having some connection with the Tax Jurisdiction other than the mere holding of such Mortgage Covered Bond; or

(c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in § 4([2][3])).

(2) Notwithstanding anything to the contrary in this § 6, no additional amounts will be paid where such withholding or deduction is required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretation thereof or law implementing an intergovernmental approach thereto or an agreement between the United States of America and the Czech Republic to implement FATCA or any law implementing or complying with, or introduced in order to conform to, such agreement.

(3) As used herein:

Tax Jurisdiction means the Czech Republic or any political subdivision or any authority thereof or therein having power to tax; and

Relevant Date means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent, as the case may be, on or prior to such due date, it means the date on which the full amount of such moneys having been so received, notice to that effect is duly given to the Mortgage Covered Bondholders in accordance with § 10.]

§ 7

(Status)

(1) Notwithstanding § 14, the Mortgage Covered Bonds are mortgage covered bonds (in Czech, *hypoteční zástavní listy*) issued in accordance with Section 28 *et seq.,* Part 2, Clause III of the Czech Bonds Act.

(2) The Mortgage Covered Bonds are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and with all other Czech Mortgage Covered Bonds issued by the Issuer, then outstanding and benefiting from the same Cover Pool (the Issuer may, at its sole discretion, create multiple Cover Pools) and with other obligations of the Issuer that have been provided the same priority as the Czech Mortgage Covered Bonds. Although the Mortgage Covered Bonds constitute unsecured obligations of the Issuer, in any insolvency proceedings against the Issuer, a special regime applies in respect of the obligations arising from the outstanding Czech Mortgage Covered Bonds issued by the Issuer.

(3) [The Mortgage Covered Bonds are "CRR Compliant" Mortgage Covered Bonds complying with requirements of Section 28c(2) of the Czech Bonds Act and solely using the Issuer's CRR Mortgage Loans in order to fulfil the requirements of Section 28a(2) of the Czech Bonds Act.]

(4) In these Terms and Conditions:

Adjusted Value means, unless required by the applicable laws otherwise, for:

(a) each Mortgage Loan, the lower of:

(i) the outstanding Nominal Value of such Mortgage Loan; and

(ii) the Mortgaged Property Value related to such Mortgage Loan;

(b) each PSB's Receivables and Exposures its outstanding Nominal Value;

(c) the Cash, its outstanding Nominal Value; and

(d) each Derivative, its real value determined pursuant to the applicable law.

Asset Monitor Agreement means the asset monitor agreement dated 4 June 2020 and entered into by and between the Issuer as issuer and Deloitte Audit s.r.o. as asset monitor (the **Asset Monitor**).

Asset Monitor Business Day means each day (other than a Saturday or Sunday) on which the commercial banks and foreign exchange markets settle payments in Prague, or in relation to payments in or conversions to or from euros, TARGET2 is open for business.

Asset Monitor Calculation Date means:

(a) the First Asset Monitor Calculation Date; and

(b) following the First Asset Monitor Calculation Date:

(i) prior to the occurrence of an Event of Default which is continuing, yearly each day of annual anniversary of the First Asset Monitor Calculation Date; and

(ii) following the occurrence of an Event of Default which is continuing, each Monthly Date falling at least one calendar month after the first such occurrence.

Authorised Signatory means an officer of the Issuer or such other person appointed by the Issuer to act as authorised signatory and in respect of whom a certificate has been provided, signed by the Issuer setting out the name and signature of that person and confirming such person's authority to sign.

Cash means cash receivables of the Issuer pursuant to Section 31(2)(d) of the Czech Bonds Act.

CNB means the Czech National Bank.

CNB Decree means the Decree of the CNB No. 2/2019 Coll. of 21 December 2018 (in Czech, *Vyhláška České národní banky č. 2/2019 Sb. ze dne 21. prosince 2018*) implementing certain provisions of the Czech Bonds Act, as amended.

Contractual Adjusted Aggregate Cover Pool Balance means the sum of the outstanding Adjusted Values of all Cover Assets, where the Adjusted Value is, for:

(a) each Mortgage Loan, deemed to be zero if such Mortgage Loan is a Defaulted Loan;

(b) each Mortgage Loan deemed to be zero if such Mortgage Loan does not fulfil requirements set out in Section 30(1) of the Czech Bonds Act;

(c) each CRR Mortgage Loan deemed to be zero if such CRR Mortgage Loan does not fulfil the applicable CRR requirements; and

(d) each Mortgage Loan deemed to be zero if such Mortgage Loan is in default pursuant to Article 178 of CRR,

and when any Cover Asset is not denominated in Czech Koruna such balance shall be converted to its equivalent in Czech Koruna at the Relevant Exchange Rate.

Cover Assets means the assets registered in the Cover Assets Register satisfying the Statutory Eligibility Criteria and the Contractual Eligibility Criteria (if applicable for the particular Cover Asset).

Cover Assets Register means a cover assets register for each Cover Pool maintained by the Issuer in accordance with the Czech Bonds Act and the CNB Decree.

Cover Pool means a part of the assets of the Issuer, which is recorded separately and which is composed of assets satisfying the relevant eligibility criteria set out in these Terms and Conditions to cover the

obligations of the Issuer arising from the Czech Mortgage Covered Bonds (including, among other things, their aggregate nominal value and proportionate yield).

CRR means Regulation No. 575/2013 of the European Parliament and the Council of 26 June 2013, on Prudential Requirements for Credit Institutions and Investment Firms, as amended.

CRR Mortgage Loans mean the issuer's mortgage loan receivables pursuant to Article 129(1)(d)-(f) of the CRR.

CRR PSB's Receivables mean exposures pursuant to Article 129(1)(a) or (b) of the CRR.

Czech Banking Act means Czech Act No. 21/1992 Coll. on Banks, as amended.

Czech Bonds Act means the Czech Act No. 190/2004 Coll., on Bonds, as amended.

Czech Bonds Act Mortgage Loans mean the Issuer's mortgage loan receivables pursuant to Section 31(2)(a) of the Czech Bonds Act.

Czech Capital Markets Act means the Czech Act No. 256/2004 Coll., on Conducting Business in the Capital Market, as amended.

Czech Capital Markets Supervision Act means the Czech Act No. 15/1998 Coll., on Supervision in the Capital Market Area and Amendment of Certain Other Acts, as amended.

Czech Insolvency Act means the Czech Act No. 182/2006 Coll., on Insolvency and Method of its Resolution (Insolvency Act), as amended.

Czech Mortgage Covered Bonds means all instruments and securities issued by the Issuer as mortgage covered bonds (in Czech, *hypoteční zástavní listy*) pursuant to Section 28 *et seq.,* Part 2, Clause III of the Czech Bonds Act, whether issued under and governed by Czech or foreign law and whether issued under the Programme (as the Mortgage Covered Bonds), under the Local Bond Programme, under a programme yet to be established by the Issuer or on a standalone basis, which are then outstanding.

Czech Property Valuation Act means the Act No. 151/1997 Coll., on property valuation, as amended.

Dealer means UniCredit Bank AG, UniCredit Bank Czech Republic and Slovakia, a.s. and any other dealers appointed from time to time in accordance with the Dealer Agreement, which appointment may be for a specific issue or on an ongoing basis (together the **Dealers**).

Dealer Agreement means the amended and restated dealer agreement dated 24 June 2021 and entered into between the Issuer as issuer, UniCredit Bank AG as arranger and dealer and UniCredit Bank Czech Republic and Slovakia, a.s.as dealer.

Defaulted Loan means any Mortgage Loan included in the Cover Pool which is more than 90 days in arrears.

Derivatives mean rights arising out of a derivative in accordance with Section 2 point 5 of the Regulation (EU) No 648/2012 of the European Parliament and of the Council, on OTC derivatives, central counterparties and trade repositories (i.e. a financial instrument as set out in points (4) to (10) of Section C of Annex I to MiFID II), provided that all the relevant conditions set out in Section 31 of the Czech Bonds Act are met.

First Asset Monitor Calculation Date means 30 June 2020.

Issue Date means a date on which the Issuer issues Mortgage Covered Bonds under the Programme;

Issuing and Paying Agency Agreement means the amended and restated issuing and paying agency agreement dated 24 June 2021 between the Issuer as issuer and Citibank, N.A., London Branch as principal paying agent.

Local Bond Programmes means the (third) CZK100,000,000,000 domestic bond programme of the Issuer for the issuance of both (i) mortgage covered bonds (in Czech, *hypoteční zástavní listy*) under Czech law which satisfy the requirements of Section 28 *et seq.,* Part 2, Clause III of the Czech Bonds Act and the Previous CNB Decree (and thus falling within the definition of the Czech Mortgage Covered Bonds) and (ii) other bonds issued under Czech law in accordance with the Czech Bonds Act, the (second, inactive) CZK20,000,000,000 domestic bond programme with outstanding mortgage covered bonds (in Czech, *hypoteční zástavní listy*) under Czech law which satisfy the requirements of Section 28 *et seq*., Part 2, Clause III of the Czech Bonds Act and the Previous CNB Decree (and thus falling within the definition of the Czech Mortgage Covered Bonds) and an inactive EUR5,000,000,000 domestic bond programme of the Issuer, acting through its branch in Slovakia, for the issuance of (i) mortgage covered bonds (in Slovak, *hypotekárne záložné listy*) under Slovak law which satisfy the requirements of Section 14 *et seq.* of the Slovak Act No. 530/1990 Coll., on Bonds, as amended (the **Slovak Bonds Act**) and (ii) other bonds issued under Slovak law in accordance with the Slovak Bonds Act.

Monthly Date means the first day of each month (or if such day is not an Asset Monitor Business Day, then the immediately following Asset Monitor Business Day).

Mortgage Loans mean the Czech Bonds Act Mortgage Loans and the CRR Mortgage Loans, included in the Cover Pool.

Mortgaged Property means in relation to any Mortgage Loan, the real property pledged to secure the Mortgage Loan fulfilling all the relevant conditions set out in Sections 29 and 30 of the Czech Bonds Act.

Mortgaged Property Value means the total value of all the Mortgaged Property as determined by the Issuer in accordance with applicable laws (including Section 29 of the Czech Bonds Act and the Czech Property Valuation Act) and the Issuer's internal rules for valuation of the Mortgaged Property. Unless required by the applicable laws otherwise, the Mortgaged Property Value shall be calculated in relation to any amount which is denominated in (i) a currency other than Czech Koruna, the Czech Koruna equivalent of such amount ascertained using the Relevant Exchange Rate relating to such amounts as at the relevant date and (ii) Czech Koruna, the applicable amount in Czech Koruna.

Nominal Value means the sum of the outstanding principal balances and any accrued and unpaid interest relating to the Czech Mortgage Covered Bonds, Mortgage Loans or any other debt or security as the case may be, calculated in relation to any amount which is denominated in (i) a currency other than Czech Koruna, by applying the Relevant Exchange Rate relating to such amounts and (ii) Czech Koruna, the applicable amount in Czech Koruna.

Potential Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute an Event of Default.

Previous CNB Decree means Decree of the CNB No. 164/2014 Coll. of 30 July 2014 (in Czech, *Vyhláška České národní banky č. 164/2014 Sb., ze dne 30. července 2014*) implementing certain provisions of the Czech Bonds Act, as replaced by the CNB Decree.

Programme means the €7,000,000,000 Mortgage Covered Bond Programme of the Issuer.

PSB's Receivables and Exposures mean CRR PSB's Receivables together with all receivables set out in Section 31(2)(b) and (c) of the Czech Bonds Act.

Rating Agency means Moody's Investors Service España, S.A. and includes any successor to its rating business.

Relevant Exchange Rate means the equivalent in Czech Koruna determined by the Issuer (i) at the rate available from the Czech National Bank or any successor source for the conversion of the relevant currency or currencies into Czech Koruna on the Banking Day before the relevant determination or, (ii) if no such direct exchange rate of the relevant currency or currencies to the Czech Koruna is available, the Issuer will use for conversions into Czech Koruna the exchange rate of the relevant currency or

currencies (as available from the relevant central bank) to the U.S. dollar or the EUR and subsequently converting such amount in U.S. dollars or EUR pursuant to the valid U.S. dollar or EUR exchange rate to the Czech Koruna (as available from the Czech National Bank) on the Banking Day before the relevant determination.

Slovak Banking Act means Slovak Act No. 483/2001 Coll. on Banks, as amended.

Statutory Tests means all the mandatory statutory tests required by the applicable law or regulations to be fulfilled by the Issuer in respect of the Mortgage Covered Bonds or the Cover Pool, in particular the Czech Bonds Act, including those set out in Section 28a(1), (2) and (3) of the Czech Bonds Act.

Statutory Eligibility Criteria means the statutory eligibility criteria for Cover Assets included in the Cover Pool as set out in the applicable law or regulations, including the Czech Bonds Act and the CNB Decree, in particular Clause 31 of the Czech Bonds Act.

Subsidiary means in relation to any person (the **First Person**) at any particular time, any other person (the **Second Person**):

(a) whose affairs and policies the First Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the Second Person or otherwise; or

(b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the First Person.

Transaction Documents means:

(a) the Terms and Conditions;

(b) the relevant set of the Final Terms;

(c) the Dealer Agreement; and

(d) the Issuing and Paying Agency Agreement.

(5) Unless a contrary indication appears, a reference in these Terms and Conditions to:

(a) any Transaction Document or any other agreement or instrument is a reference to that Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated; and

(b) a legal act or provision of law is a reference to that legal act or provision of law as amended, replaced or re-enacted.

(6) For the avoidance of any doubt, the Issuer is authorised to establish any additional Cover Pools in respect of Czech Mortgage Covered Bonds in the future. In such case, the then outstanding Mortgage Covered Bonds will remain covered by the Cover Pool existing on the Issue Date, as the same may be amended or supplemented from time to time.

§ 8

(Issuer Undertakings)

(1) The Issuer covenants to maintain the Cover Pool in accordance with the Statutory Eligibility Criteria, the Statutory Tests and other relevant requirements set out in the applicable law or regulations, including the Czech Bonds Act and the CNB Decree. The Issuer covenants that it will perform such checks and reviews as are required on each Asset Monitor Calculation Date and on each Issue Date to ensure that each Mortgage Loan included in the Cover Pool remains in compliance with the Statutory Eligibility Criteria and the Contractual Eligibility Criteria (as defined below). To the extent that it is not in compliance with the Statutory Eligibility Criteria or the Contractual Eligibility Criteria it will make such substitutions in

the Cover Pool as are necessary to ensure compliance with the Statutory Eligibility Criteria and the Contractual Eligibility Criteria.

(2) The Issuer also covenants to ensure that the Contractual Adjusted Aggregate Cover Pool Balance is an amount at least equal to 110 per cent. of the outstanding Nominal Value of the Czech Mortgage Covered Bonds (the **Contractual Asset Cover Test**).

(3) The Issuer will check that it complies with the Statutory Tests and the Contractual Asset Cover Test on each Asset Monitor Calculation Date and on each Issue Date and, to the extent that it is not in compliance, it will make such substitutions in the Cover Pool as are necessary to ensure compliance with the Statutory Tests and the Contractual Asset Cover Test. For the avoidance of doubt, a breach of the Contractual Asset Cover Test will not result in an Event of Default. However, whilst such breach is continuing the Issuer shall not issue any Czech Covered Bonds, which have the benefit of the Issuer's Cover Pool.

(4) The Issuer covenants that it will provide from time to time to the Rating Agency (or another rating agency which has rated the Mortgage Covered Bonds) and the Asset Monitor information on the current value of the Contractual Adjusted Aggregate Cover Pool Balance and will confirm compliance by the Issuer with the Contractual Asset Cover Test.

(5) In addition to the Statutory Eligibility Criteria, the Issuer covenants to ensure that the Cover Pool meets the following contractual eligibility criteria to (collectively the **Contractual Eligibility Criteria**):

(a) the Mortgage Loans are governed by Czech or Slovak law;

(b) the Mortgaged Property is real property, as evidenced by an extract from the Czech real estate register (in Czech, *katastr nemovitostí*) or the respective land registry in the relevant jurisdiction;

(c) the Mortgage Loans have been granted to one or more individuals or one or more legal entities;

(d) the Mortgage Loans are performing and there are no payments in respect of such loans that are due and unpaid for more than 90 days;

(e) the Mortgage Loan amount included in the Cover Pool is capped at a maximum loan to value ratio of 100 per cent.;

(f) the Issuer's Cover Pool does not contain any asset-backed securities; and

(g) the Mortgage Loans are not collateralised by agricultural land (where such agricultural land is subject to a separate mortgage and does not form a functional part of other mortgaged property) or other land not designated for construction purposes.

(6) The Issuer also covenants that, as long as any of the Mortgage Covered Bonds remains outstanding, it will:

(a) give notice to the Mortgage Covered Bondholders (in accordance with § 10) and to the Principal Paying Agent immediately on the occurrence of any Event of Default;

(b) at all times keep and procure that its Subsidiaries keep, proper books of account;

(c) maintain, at all times, its registered office in the Czech Republic and its authorisation under the Czech Banking Act to carry out its activity as a bank as well as all other authorisations and registrations required for the Programme under the laws and regulations of the Czech Republic (including, without limitation, the Czech Banking Act, the Czech Bonds Act, the Czech Capital Market Act and the Czech Capital Markets Supervision Act) and it shall furnish the CNB with any and all documents that may be necessary in order to maintain such authorisations or registrations;

(d) comply in all material respects with all of its obligations under the laws and regulations of the Czech Republic (including, without limitation, the Czech Banking Act, the Czech Bonds Act,

the Czech Capital Market Act and the Czech Capital Markets Supervision Act) at such time and in such manner as required by such laws and regulations and, in particular, it shall comply in all material respects with all of its obligations under the CNB Decree and any other measure implementing the Czech Bonds Act in respect of mortgage covered bonds (in Czech, *hypoteční zástavní listy*), including, but not limited to, its obligations relating to administration of the Cover Assets Register and any other ongoing obligations of the Issuer in respect of the Czech Covered Bonds and the Cover Pool);

(e) comply in all material respects with all of its obligations under the laws and regulations of the Slovak Republic (including, without limitation, the Slovak Banking Act) at such time and in such manner as required by such laws and regulations in respect of any Mortgage Loan governed by Slovak law comprised in the Cover Pool;

(f) publish, as soon as practicable after the time of issue thereof and in any event not later than 180 days after the last day of each financial period of the Issuer, in the English language of each report and audited accounts for the relevant financial year/financial period (as appropriate) containing a balance sheet and profit and loss account report or other notice, statement or circular issued to the creditors of the Issuer;

(g) publish, at the time of publication of its report and accounts pursuant to paragraph (f) above, a certificate signed by two Authorised Signatories of the Issuer certifying that, to the best of the knowledge, information and belief of the Issuer, (a) during the period between the date as of which the last certificate was given (or, in case of the first such certificate, the date hereof) and the date as of which such certificate is given, the Issuer has complied with its material obligations under these Terms and Conditions, the Issuing and Paying Agency Agreement and the other Transaction Documents or (if such is not the case) giving details of the circumstances of such non-compliance and (b) without prejudice to the generality of this paragraph (g) and paragraph (f) above, there did not exist as at a date not more than 10 days prior to the date of delivery of the certificate, on the part of the Issuer, any Event of Default or Potential Event of Default (as applicable) or, if any Event of Default or Potential Event of Default (as applicable) exists, giving details of the same;

(h) provide any Mortgage Covered Bondholder, upon its written request, with any report prepared by the Asset Monitor pursuant to the Asset Monitor Agreement;

(i) not amend, vary, novate, supplement or waive any term of the Asset Monitor Agreement, except for:

(i) changes of administrative nature or corrections of manifest errors;

(ii) changes necessary to reflect consequences of a change in, or a change in interpretation of, the applicable law or regulations, including the Czech Bonds Act, the CNB Decree and the CRR; or

(iii) changes that are not materially adverse to the interests of the Mortgage Covered Bondholders.

§ 9

(Events of Default)

(1) Each Mortgage Covered Bondholder shall be entitled to declare its Mortgage Covered Bonds due and demand immediate redemption thereof at the Early Redemption Amount, if any one or more of the following events (each an **Event of Default**) shall occur:

(a) non-payment of any payment obligations by the Issuer under or in connection with the Mortgage Covered Bonds which lasts for more than 10 (ten) Banking Days from the date when such obligations became due;

(b) the Issuer fails to comply with, perform or observe any of its other Significant Obligations and (except, in any case where the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) such failure continues and remains unremedied for the period of 45 (forty five) calendar days following the service by any Mortgage Covered Bondholder on the Issuer of notice requiring the same to be remedied;

(c) for the purposes of (b) above, **Significant Obligations** means any material obligations of the Issuer as set out in the Terms and Conditions and the Asset Monitor Agreement. For the avoidance of doubt, any breach of the Contractual Asset Cover Test would not be a breach of a Significant Obligation for the purposes of (b) above; or

(d) the Issuer fails to comply with the Statutory Tests for a period longer than three months.

For the avoidance of doubt, a breach of the Contractual Asset Cover Test will not result in an Event of Default. However, whilst such breach is continuing the Issuer must not issue any Czech Mortgage Covered Bonds which have the benefit of the Cover Pool.

The right to declare the Mortgage Covered Bonds due and payable shall terminate if the relevant event of default has been cured before the right is exercised.

(2) Any notice declaring the Mortgage Covered Bonds due pursuant to paragraph (1) shall be made by means of a notice in text form by the Mortgage Covered Bondholder to be delivered to the Principal Paying Agent by hand or registered mail together with sufficiently conclusive proof that such Mortgage Covered Bondholder at the time of such notice is a holder of the relevant Mortgage Covered Bonds. The Mortgage Covered Bonds shall fall and payable due upon receipt of the notice by the Principal Paying Agent. The Principal Paying Agent shall promptly forward the notice to the Issuer without further examination.

§ 10

(Notices)

[*In the case of Mortgage Covered Bonds which are listed on a Stock Exchange insert*:

(1) *Publication*.

[*If notices may not be given by means of electronic publication on the website of the relevant stock exchange, insert*:

All notices concerning the Mortgage Covered Bonds shall be published in the Federal Gazette (in German, *Bundesanzeiger*) **[**and**]**

[*If the publication is legally required to be made additionally in a newspaper authorised by the Stock Exchanges in Germany, insert*:, to the extent legally required in one newspaper authorised by the Stock Exchanges in Germany (in German, *Börsenpflichtblatt*). This newspaper is expected to be **[***insert newspaper authorised by the Stock Exchange***]**.**]** **[**If publication in this newspaper is no longer possible, the notices shall be published in another newspaper authorised by the Stock Exchanges in Germany (in German, *Börsenpflichtblatt*).**]**

Any notice will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first of such publications).**]**

[*If notices may be given by means of electronic publication on the website of the relevant Stock Exchange, insert*:

All notices concerning the Mortgage Covered Bonds will be made **[**additionally**]** by means of electronic publication on the internet website of the **[***insert relevant stock exchange***]** (www.**[***insert internet address***]**). Any notice will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first of such publications).**]]**

[(2)**]** *Notification to Clearing System*.

[*In the case of Mortgage Covered Bonds which are unlisted, insert*:

The Issuer shall deliver all notices concerning the Mortgage Covered Bonds to the Clearing System for communication by the Clearing System to the Mortgage Covered Bondholders. Any such notice shall be deemed to have been given to the Mortgage Covered Bondholders on the fourth **[**TARGET2**] [**London**] [***insert other financial centre***]** Banking Day after the day on which the said notice was given to the Clearing System.**]**

[*In the case of Mortgage Covered Bonds which are listed on a stock exchange, insert:*

The Issuer may, in lieu of publication in the newspapers set forth in paragraph (1) above, deliver the relevant notice to the Clearing System, for communication by the Clearing System to the Mortgage Covered Bondholders, provided that, the rules of the Stock Exchange on which Mortgage Covered Bonds are listed permit such form of notice. Any such notice shall be deemed to have been given to the Mortgage Covered Bondholders on the fourth **[**TARGET2**] [**London**] [***insert other financial centre***]** Banking Day after the day on which the said notice was given to the Clearing System.**]**

[*In the case of a TARGET2 Banking Day, insert:* **TARGET2 Banking Day** means a day (other than a Saturday or Sunday) on which TARGET2 is operational.**]**

[*In the case of a non-TARGET2 Banking Day, insert:* **[London] [***insert other financial centre***] Banking Day** means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in **[**London**] [***insert other financial centre***]].]**

§ 11

(Repurchase)

The Issuer shall be entitled at any time to purchase Mortgage Covered Bonds in the market or otherwise and at any price. Mortgage Covered Bonds repurchased by the Issuer may, at the Issuer's discretion, be held, resold or forwarded to the Principal Paying Agent for cancellation.

§ 12

(Presentation Period)

The presentation period provided in § 801 paragraph (1) sentence 1 of the German Civil Code (*BGB*) is reduced to ten years for the Mortgage Covered Bonds.

§ 13

(Partial Invalidity)

Should any provision of these Terms and Conditions of the Mortgage Covered Bonds 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 of the Mortgage Covered Bonds is to be filled with a provision that corresponds to the meaning and intent of these Terms and Conditions of the Mortgage Covered Bonds and is in the interest of the parties.

§ 14

(Applicable Law, Place of Jurisdiction, Language)

(1) The Mortgage Covered Bonds, as to form and content, and all rights and obligations of the Issuer and the Mortgage Covered Bondholders shall be governed by the laws of the Federal Republic of Germany.

(2) The Mortgage Covered Bonds, although otherwise governed by, and construed in accordance with, the laws of the Federal Republic of Germany, will be subject to and will benefit from those provisions of the Czech Bonds Act, the CNB Decree, the Czech Insolvency Act and any other provisions of Czech law applicable to or relevant for the Czech Mortgage Covered Bonds. Therefore, the Mortgage Covered Bonds will need to satisfy requirements of Sections 28 et seq., Part 2, Clause III of the Czech Bonds Act and the Cover Pool and its maintenance will be governed by Czech law. Also, Section 375 of the Czech Insolvency Act and other relevant provisions of the Czech Insolvency Act will apply to the Mortgage Covered Bonds and the Cover Pool in the case of insolvency proceedings against the Issuer.

(3) The Cover Pool will be subject to and will benefit from, in respect of Mortgage Loans governed by Slovak law comprised in the Cover Pool, those provisions of the Slovak Banking Act and any other provisions of Slovak law applicable to or relevant for the Slovak loans secured by way of mortgage.

(4) To the extent permitted by law, all legal disputes arising from or in connection with the matters governed by the terms and conditions of these Mortgage Covered Bonds shall be brought before the court in Munich.

[*Insert if the Terms and Conditions are written in the German language and an English language translation will be provided*:

(5) These Terms and Conditions are written in the German language. An English language translation is attached. The German text shall be controlling and binding. The English language translation is provided for convenience only.**]**

[*Insert if the Terms and Conditions are written in the English language and a German language translation will be provided*.]

(5) These Terms and Conditions are written in the English language. A German language translation is attached. The English text shall be controlling and binding. The German language translation is provided for convenience only.]

[*Insert if the Terms and Conditions are written only in the English language:*

(5) These Terms and Conditions are written only in the English language.**]**

§ 15

(Amendments to the Terms and Conditions)

(1) §§ 5 et seq. of the German Bond Act (in German, *Gesetz über Schuldverschreibungen aus Gesamtemissionen* (the **SchVG**)), shall be applicable in relation to the Mortgage Covered Bonds. Thus, the Issuer may amend these Terms and Conditions with consent by majority resolution of the Mortgage Covered Bondholders.

(2) The Mortgage Covered Bondholders may in particular agree by majority resolution to the following:

(a) a change of the due date for payment of interest, the reduction or the cancellation of interest;

(b) a change of the due date for payment of principal;

(c) a reduction of principal;

(d) a subordination of claims arising from the Mortgage Covered Bonds in insolvency proceedings of the Issuer;

(e) a conversion of the Mortgage Covered Bonds into, or the exchange of the Mortgage Covered Bonds for, shares, other securities or obligations;

(f) an exchange or release of security;

(g) a change of the currency of the Mortgage Covered Bonds;

(h) a waiver or restriction of Mortgage Covered Bondholders' termination rights under the Mortgage Covered Bonds;

(i) an amendment or a rescission of ancillary provisions of the Mortgage Covered Bonds; and

(j) an appointment or a removal of a common representative for the Mortgage Covered Bondholders.

No obligation to make any payment or to render any other performance shall be imposed on any Mortgage Covered Bondholder by majority resolution.

(3) The Mortgage Covered Bondholders shall pass resolutions by vote taken [in a bondholders' meeting][without a physical meeting pursuant to § 18 SchVG].

A meeting of Mortgage Covered Bondholders will be called for by the Issuer or the Common Representative (as defined in paragraph (8) below). Pursuant to § 9 (1) sent. (1) SchVG in connection with § 18 SchVG, a meeting of Mortgage Covered Bondholders must be called if Mortgage Covered Bondholders holding Mortgage Covered Bonds amounting to 5 per cent. of the outstanding principal amount of the Mortgage Covered Bonds request so, in writing, with reference to one of the reasons set out in § 9 (1) sent. (1) SchVG.

(4) Except as provided in the following sentence and provided that the requisite quorum is present, a resolution of the Mortgage Covered Bondholders will be passed by simple majority of the rights to vote participating in the vote.

In the cases of this § 15 (2) items (a) through (i), in order to be passed, resolutions require a majority of not less than 75 per cent. of the rights to vote participating in the vote.

(5) Each Mortgage Covered Bondholder participating in any vote shall cast votes in accordance with the principal amount or the notional fraction of its entitlement to the outstanding Mortgage Covered Bonds. As long as the entitlement to the Mortgage Covered Bonds lies with, or the Mortgage Covered Bonds are held for the account of, the Issuer or any of its affiliates (§ 271 (2) of the German Commercial Code (in German, *Handelsgesetzbuch*)), the right to vote in respect of such Mortgage Covered Bonds shall be suspended. The Issuer may not transfer Mortgage Covered Bonds, of which the voting rights are so suspended, to another person for the purpose of exercising such voting rights in the place of the Issuer; this shall also apply to any affiliate of the Issuer. No person shall be permitted to exercise such voting right for the purpose stipulated in sent. (3), first half sentence, herein above.

(6) Binding Effect: Majority resolutions shall be binding on all Mortgage Covered Bondholders. Resolutions which do not provide for identical conditions for all Mortgage Covered Bondholders are void, unless Mortgage Covered Bondholders who are disadvantaged have expressly consented to their being treated disadvantageously.

(7) Mortgage Covered Bondholders must demonstrate their eligibility to participate in the vote at the time of voting by means of a special confirmation of the Custodian (as defined below) and by submission of a blocking instruction by the Custodian for the benefit of the Principal Paying Agent for the voting period.

The statement issued by the Custodian must

(a) indicate the full name and address of the Mortgage Covered Bondholder;

(b) specify the aggregate principal amount of Mortgage Covered Bonds credited to such securities account on the date of such statement; and

(c) confirm that the Custodian has given a written notice to the Clearing System and the Principal Paying Agent containing the information pursuant to (a) and (b) as well as confirmations by the Clearing System.

Custodian means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Mortgage Covered Bondholder maintains a securities account in respect of the Mortgage Covered Bonds including the Clearing System.

(8) The Mortgage Covered Bondholders may by majority resolution appoint a common representative (the **Common Representative**) to exercise the Mortgage Covered Bondholders' rights on behalf of each Mortgage Covered Bondholder. Any natural person having legal capacity or any qualified legal person may act as Common Representative. Any person who:

(a) is a member of the management board, the supervisory board, the board of directors or any similar body, or an officer or employee, of the Issuer or any of its affiliates;

(b) holds an interest of at least 20 per cent. in the share capital of the Issuer or of any of its affiliates;

(c) is a financial creditor of the Issuer or any of its affiliates, holding a claim in the amount of at least 20 per cent. of the outstanding Mortgage Covered Bonds, or is a member of a corporate body, an officer or other employee of such financial creditor; or

(d) is subject to the control of any of the persons set forth in numbers (i) to (iii) above by reason of a special personal relationship with such person

must disclose the relevant circumstances to the Mortgage Covered Bondholders prior to being appointed as a Common Representative. If any such circumstances arise after the appointment of a Common Representative, the Common Representative shall inform the Mortgage Covered Bondholders promptly in appropriate form and manner.

(9) The Common Representative shall have the duties and powers provided by law or granted by majority resolution of the Mortgage Covered Bondholders. The Common Representative shall comply with the instructions of the Mortgage Covered Bondholders. To the extent that the Common Representative has been authorised to assert certain rights of the Mortgage Covered Bondholders, the Mortgage Covered Bondholders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Common Representative shall provide reports to the Mortgage Covered Bondholders on its activities.

(10) The Common Representative shall be liable for the performance of its duties towards the Mortgage Covered Bondholders who shall be joint and several creditors (in German, *Gesamtgläubiger*); in the performance of its duties it shall act with the diligence and care of a prudent business manager. [*If the liability of the Common Representative may be limited by resolution of the Mortgage Covered Bondholders, insert*: The liability of the Common Representative may be limited by a resolution passed by the Mortgage Covered Bondholders.][If the liability of the Common Representative may be limited to a fixed amount, insert: The liability of the Common Representative may be limited to [[*insert amount*] times its annual remuneration] [*insert amount*].] The Mortgage Covered Bondholders shall decide upon the assertion of claims for compensation of the Mortgage Covered Bondholders against the Common Representative.

(11) The Common Representative may be removed from office at any time by the Mortgage Covered Bondholders without specifying any reasons. The Common Representative may request all information required for the performance of the duties entrusted to it from the Issuer. The Issuer shall bear the costs and expenses arising from the appointment of a Common Representative, including reasonable remuneration of the Common Representative.

IV. Form of Final Terms

FORM OF FINAL TERMS

Terms used in the final terms below (the **Final Terms**) shall be deemed to be defined as such for the purposes of the [Terms and Conditions of the Mortgage Covered Bonds set forth in the Base Prospectus (and the Supplements thereto, if any)] [applicable Terms and Conditions of the Mortgage Covered Bonds set out on pages 140-160 and on pages 161-194 and 195-212 of the base prospectus for the issuance of Mortgage Covered Bonds dated 4 June 2020 in respect of the Programme, as incorporated by reference in the Base Prospectus] (the **Terms and Conditions**).

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Mortgage Covered Bonds 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 (the **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, **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. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Mortgage Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Mortgage Covered Bonds 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 Mortgage Covered Bonds 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 (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (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**); (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 Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the **UK Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Mortgage Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Mortgage Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

[MiFID II PRODUCT GOVERNANCE / [PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET] – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Mortgage Covered Bonds has led to the conclusion that: (i) the target market for the Mortgage Covered Bonds is eligible counterparties[,] [and] professional clients, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Mortgage Covered Bonds 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 Mortgage Covered Bonds (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 Mortgage Covered Bonds (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.*]

[UK MIFIR PRODUCT GOVERNANCE / [PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET] – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Mortgage Covered Bonds has led to the conclusion that: (i) the target market for the Mortgage Covered Bonds is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**)[,] [and] professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels for distribution of the Mortgage Covered Bonds 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 Mortgage Covered Bonds (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Mortgage Covered Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.][*Insert further details on target market, client categories etc*.]

The Final Terms are divided into a "Part I" and a "Part II".

In Part I of the Final Terms, the Terms and Conditions will be completed and specified by the information contained in Part I as follows:

(a) In the case of "Type A" Final Terms, the following applies:

The completed and specified provisions of the relevant Option I, II or III of the Terms and Conditions represents the conditions applicable to the relevant Series of Mortgage Covered Bonds (the **Conditions**).

(b) In the case of "Type B" Final Terms, the following applies:

The relevant Option I, II or III of the Terms and Conditions, completed and specified by, and to be read together with, Part I of these Final Terms represents the conditions applicable to the relevant Series of Mortgage Covered Bonds (the **Conditions**).

Part I of the Final Terms is to be read in conjunction with the relevant set of Terms and Conditions that apply to Fixed Rate Mortgage Covered Bonds, Floating Rate Mortgage Covered Bonds, Zero Coupon Mortgage Covered Bonds set forth in the Prospectus as Option I, Option II and Option III. Capitalised terms shall have the meanings specified in the Terms and Conditions.

All references in Part I of the Final Terms to numbered paragraphs and subparagraphs are to paragraphs and subparagraphs of the Terms and Conditions.

The placeholders in the provisions of the Terms and Conditions which are applicable to the Mortgage Covered Bonds shall be deemed to be completed by the information contained in the Final Terms as if such information was inserted in the placeholder of such provisions. All provisions in the Terms and Conditions which are not selected and not completed by the information contained in the Final Terms shall be deemed to be deleted from the terms and conditions applicable to the Mortgage Covered Bonds.

Part II of the Final Terms contains all other conditions which shall not be inserted in the Terms and Conditions and which apply to all Mortgage Covered Bonds.

Final Terms

dated [●]

UniCredit Bank Czech Republic and Slovakia, a.s.

Legal Entity Identifier: KR6LSKV3BTSJRD41IF75

Issue of [*Title of the Mortgage Covered Bonds*]
(the **Mortgage Covered Bonds**)

Issue Price: [●] per cent. [*insert information with regard to accrued interest in case of an increase of Mortgage Covered Bonds*]

Series number [●]

Tranche number [●]

Trade Date: [●]

[(to be consolidated and form a single series with and increase the aggregate principal amount of the [Title of relevant Series of Mortgage Covered Bonds] issued on [●])]

under the

EUR7.000.000.000

Mortgage Covered Bond Programme of
UniCredit Bank Czech Republic and Slovakia, a.s.

*This document constitutes the Final Terms for the Mortgage Covered Bondsdescribed herein for the purposes of Article 8 para. 2 of the 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 (the **Prospectus Regulation**), in connection with the 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. In order to get full information, the Final Terms are to be read together with the information contained in (a) the base prospectus dated [●] 2021 (the **Base Prospectus**) and (b) any supplements to the Base Prospectus according to Article 23 of the Prospectus Regulation (the Supplements*).

The aforementioned documents are available on the website www.unicreditbank.cz, section "Debt Investor Relations", sub-section "UniCredit Bank Czech Republic and Slovakia, a.s. International €5 bln Covered Bond Programme".

[These Final Terms are to be read together with the Base Prospectus and the Terms and Conditions of the Mortgage Covered Bonds in the base prospectus for the issuance of Mortgage Covered Bonds dated 4 June 2020 in respect of the Programme, as incorporated by reference in the Base Prospectus.][16]

[16] Insert in the case of an increase of an issue of Mortgage Covered Bonds which were issued under the base prospectus for the issuance of Mortgage Covered Bonds dated 4 June 2020.

Part I

[[In the case the options applicable to the relevant Mortgage Covered Bonds are to be determined by replicating the relevant provisions set forth in the Prospectus as Option I to Option III including certain further options contained therein, respectively, and completing the relevant placeholders ("Type A" Final Terms), the following paragraphs shall be applicable.]

[The applicable and legally binding Conditions are as set out below in the English language version. [A non-binding German language translation thereof will be provided together with the English language version.]]

[The applicable and legally binding Conditions are set out in the German language version. [A non-binding English language translation thereof will be provided together with the German language version.]]

[In the case of Fixed Rate Mortgage Covered Bonds replicate the relevant provisions of Option I including relevant further options contained therein, and complete relevant placeholders]

[In the case of Floating Rate Mortgage Covered Bonds replicate the relevant provisions of Option II including relevant further options contained therein, and complete relevant placeholders]

[In the case of Zero Coupon Mortgage Covered Bonds replicate the relevant provisions of Option III including relevant further options contained therein, and complete relevant placeholders]

[In the case of an increase of an issue of Mortgage Covered Bondswhich were issued under the base prospectus for the issuance of Mortgage Covered Bonds dated 4 June 2020, insert relevant Terms and Conditions as incorporated by reference in the Base Prospectus and complete relevant placeholders]

[In the case of "Type B" Final Terms, the following table shall be completed in accordance with the specifications of the relevant issue of [Fixed Rate Mortgage Covered Bonds] [Floating Rate Mortgage Covered Bonds] [Zero Coupon Mortgage Covered Bonds]:

§ 1
Series, Form of Mortgage Covered Bonds, Issuance of Additional Mortgage Covered Bonds

Issue Date:	[*insert Issue Date*]
Specified Currency:	[Euro (**EUR**)] [*insert Specified Currency*]
CRR Compliant:	[Yes] [No]
Application of tax gross-up obligation § 6):	[Yes] [No]
Aggregate Principal Amount:	
(i) Series:	[Up to] [insert Aggregate Principal Amount of Series]
(ii) Tranche:	[insert Aggregate Principal Amount of Tranche]
Specified Denomination:	[*insert Specified Denomination*]
Form of Mortgage Covered Bonds:	
☐ Temporary Global Note – Exchange (TEFRA D)	
☐ Permanent Global Note (TEFRA C)	

☐ Permanent Global Note (neither TEFRA D nor TEFRA C Rules)

Clearing System:

☐ Clearstream Banking, S.A.,
Luxembourg
42 Avenue JF Kennedy
L-1855 Luxembourg

☐ Euroclear Bank SA/NV
Boulevard du Roi Albert II
B-1210 Brussels

☐ Clearstream Banking AG, Frankfurt am Main
Mergenthalerallee 61
D-65760 Eschborn

Classical Global Note or New Global Note:

☐ Classical Global Note

☐ New Global Note

§ 2
Interest

Option I: Fixed Rate Mortgage Covered Bonds

[Interest Commencement Date:	[insert Interest Commencement Date]
Step-up or Step-down Mortgage Covered Bonds:	[Yes] [No]
[Interest Rate:	
☐ To Maturity Date:	[*insert percentage*]
☐ From Maturity Date up to Extended Maturity Date:	[*insert percentage*]
Interest Payment Date(s):	
☐ To Maturity Date:	[*insert Interest Payment Date(s)*] [of each year] up to and including the Maturity Date][17]
☐ From Maturity Date up to Extended Maturity Date:	[*insert Interest Payment Date(s)*] [of each month] up to and including the Extended Maturity Date / specify other][18]
[Interest Payment Dates and relating Interest Rate:	**Interest Payment Dates** **relating Interest Rate**

[17] Only applicable for Mortgage Covered Bonds other than Step-up or Step-down Mortgage Covered Bonds.
[18] Only applicable for Mortgage Covered Bonds other than Step-up or Step-down Mortgage Covered Bonds.

	[*insert Interest Payment Dates*] [*insert relating Interest Rate*]][19]
First Interest Payment Date	[*insert First Interest Payment Date*]
Initial Broken Amount (per Specified Denomination) (in the case of a first [short][long] coupon):	[*insert Initial Broken Amount*] [Not applicable]
Initial Broken Amount (per Aggregate Principal Amount of [Series][Tranche]) (in the case of a first [short][long] coupon):	[*insert Initial Broken Amount*] [Not applicable]
Final Broken Amount (per Specified Denomination) (in the case of a last [short][long] coupon):	
□ To Maturity Date:	[*insert Final Broken Amount*] [Not applicable]
□ From Maturity Date up to Extended Maturity Date:	[*insert Final Broken Amount*] [Not applicable]
Final Broken Amount (per Aggregate Principal Amount of [Series][Tranche]) (in the case of a last [short][long] coupon):	
□ To Maturity Date:	[*insert Final Broken Amount*] [Not applicable]
□ From Maturity Date up to Extended Maturity Date:	[*insert Final Broken Amount*] [Not applicable]

Option II: Floating Rate Mortgage Covered Bonds

[Interest Commencement Date:	[*insert Interest Commencement Date*]
Fixed to Floating Rate Mortgage Covered Bonds:	[Yes] [No]
[Specified Interest Payment Date(s) during the Fixed Interest Term:	[*insert specified Interest Payment Date(s)*] [of each year]][20]
□ specified Interest Payment Date(s):	
□ To Maturity Date:	[insert specified Interest Payment Date(s)] [of each year]
□ From Maturity Date up to Extended Maturity Date:	[insert specified Interest Payment Date(s)] [of each year]
□ specified Interest Period(s):	
□ To Maturity Date:	[*insert number*] [weeks] [months]
□ From Maturity Date up to Extended Maturity Date:	[*insert number*] [weeks] [months]

[19] Only applicable for Step-up or Step-down Mortgage Covered Bonds.
[20] Only applicable for Fixed to Floating Rate Mortgage Covered Bonds.

[First Interest Payment Date:	[*insert first Interest Payment Date*]][21]
[First Interest Payment Date falling into the Floating Interest Term:	[*insert first Interest Payment Date falling into the Floating Interest Term*]][22]
[Interest Rate for the Fixed Interest Term:	[*insert percentage*] per cent. *per annum*
Initial Broken Amount (per Specified Denomination):	[*insert Initial Broken Amount*][Not applicable]][23]
Initial Broken Amount (per Aggregate Principal Amount of [Series][Tranche]):	[*insert Initial Broken Amount*][Not applicable]][24]
☐ Screen Rate Determination:	
☐ To Maturity Date:	
☐ Floating Rate Mortgage Covered Bonds where interest is linked to the [Euro Interbank Offered Rate (Euribor)®] [SONIA®] [SOFR®] [€STR®] [Prague Interbank Offered Rate (Pribor)]	
☐ Euribor (Brussels time / TARGET2 Banking Day / Interbank market in the Euro-Zone)	[*insert term(s)*] [●]
Screen page:	Reuters screen page EURIBOR01 or any successor screen page
☐ SONIA (London time / London Banking Day)	
Screen page:	[●]
Calculation by:	[Calculation Agent] [●]
Number of London Banking Days "p"	[●]
☐ SOFR (New York time / US Government Securities Banking Day)	
Screen page:	[●]
Calculation by:	[Calculation Agent] [●]
Number of US Government Securities Banking Days "p"	[●]
☐ €STR (Brussels time / TARGET2 Banking Day)	
Screen page:	[●]
Calculation by:	[Calculation Agent] [●]
Number of TARGET2 Banking Days "p"	[●]

[21] Insert only in the case of a first long/short coupon.
[22] Only applicable for Fixed to Floating Rate Mortgage Covered Bonds.
[23] Only applicable for Fixed to Floating Rate Mortgage Covered Bonds.
[24] Only applicable for Fixed to Floating Rate Mortgage Covered Bonds.

☐ Pribor (Prague time / Prague Banking Day)

Screen page:	[●]
Calculation by:	[Calculation Agent] [●]
Number of Prague Banking Days "p"	[●]
Interest Rate applicable following a Discontinuation Event:	[Interest Rate applicable to preceding Interest Period] [offered quotation or arithmetic mean of the offered quotations] [*insert Interest Rate*]
Interpolation:	[Yes] [No] [with regard to the [short][long] first coupon] [with regard to the last short coupon] [Linear interpolation between the [*insert number*] month [Euribor] [Pribor] offered rate and the [*insert number*] month [Euribor] [Pribor] offered rate which appears on the Screen Page as of 11:00 a.m., [*If the Reference Rate is Euribor, insert*: Brussels] [*If the Reference Rate is Pribor, insert*: Prague] time.]

☐ Floating Rate Mortgage Covered Bonds where interest is linked to a Constant Maturity Swap Rate:

Number of years:	[insert number of years]
Screen page:	Reuters screen page [ICESWAP1 or any successor screen page] [ICESWAP2 or any successor screen page]
Number of quotations from Reference Banks:	[*insert number of quotations*]
Reference Rate Time:	[*insert Reference Rate Time*]
Interest Rate applicable following a Discontinuation Event:	[Interest Rate applicable to preceding Interest Period] [offered quotation or arithmetic mean of the offered quotations] [*insert Interest Rate*]
Factor:	[*insert factor*] [Not applicable]
Margin:	[[*insert margin*] per cent. *per annum*] [Not applicable]
plus	
minus	
Interest Determination Date:	[second] [first] [last] [*other number of days*] [TARGET2] [London] [*other financial centre (specify)*] Banking Day [prior to the] [commencement][expiry] of the relevant Interest Period

☐ From Maturity Date up to Extended Maturity Date:

☐ Floating Rate Mortgage Covered Bonds where interest is linked to the [Euro Interbank Offered

	Rate (Euribor)®] [SONIA®] [SOFR®] [€STR®] [Prague Interbank Offered Rate (Pribor)]	
☐	Euribor (Brussels time / TARGET2 Banking Day / Interbank market in the Euro-Zone)	[*insert term(s)*] [●]
	Screen page:	Reuters screen page EURIBOR01 or any successor screen page
☐	SONIA (London time / London Banking Day)	
	Screen page:	[●]
	Calculation by:	[Calculation Agent] [●]
	Number of London Banking Days "p"	[●]
☐	SOFR (New York time / US Government Securities Banking Day)	
	Screen page:	[●]
	Calculation by:	[Calculation Agent] [●]
	Number of US Government Securities Banking Days "p"	[●]
☐	€STR (Brussels time / TARGET2 Banking Day)	
	Screen page:	[●]
	Calculation by:	[Calculation Agent] [●]
	Number of TARGET2 Banking Days "p"	[●]
☐	Pribor (Prague time / Prague Banking Day)	
	Screen page:	[●]
	Calculation by:	[Calculation Agent] [●]
	Number of Prague Banking Days "p"	[●]
	Interest Rate applicable following a Discontinuation Event:	[Interest Rate applicable to preceding Interest Period] [offered quotation or arithmetic mean of the offered quotations] [*insert Interest Rate*]
	Interpolation:	[Yes] [No] [with regard to the [short][long] first coupon] [with regard to the last short coupon]
		[Linear interpolation between the [*insert number*] month [Euribor] [Pribor] offered rate and the [*insert number*] month [Euribor] [Pribor] offered rate which appears on the Screen Page as of 11:00 a.m., [*If the Reference Rate is Euribor, insert*: Brussels] [*If the Reference Rate is Pribor, insert*: Prague] time.]

☐ Floating Rate Mortgage Covered Bonds where interest is linked to a Constant Maturity Swap Rate:

Number of years:	[insert number of years]
Screen page:	Reuters screen page [ICESWAP1 or any successor screen page] [ICESWAP2 or any successor screen page]
Number of quotations from Reference Banks:	[*insert number of quotations*]
Reference Rate Time:	[*insert Reference Rate Time*]
Interest Rate applicable following a Discontinuation Event:	[Interest Rate applicable to preceding Interest Period] [offered quotation or arithmetic mean of the offered quotations] [*insert Interest Rate*]
Factor:	[*insert factor*] [Not applicable]
Margin:	[[*insert margin*] per cent. *per annum*] [Not applicable]
☐ plus	
☐ minus	
Interest Determination Date:	[second] [first] [last] [*other number of days*] [TARGET2] [London] [*other financial centre (specify)*] Banking Day [prior to the] [commencement][expiry] of the relevant Interest Period

☐ ISDA Determination:

To Maturity Date:	
Floating Rate Option:	[*insert Floating Rate Option*]
Designated Maturity:	[*insert period from/to*]
Reset Date:	[*insert Reset Date*] [Not applicable]
Factor:	[*insert factor*] [Not applicable]
Margin:	[[*insert margin*] per cent. *per annum*] [Not applicable]
☐ plus	
☐ minus	

☐ From Maturity Date up to Extended Maturity Date:

Floating Rate Option:	[*insert Floating Rate Option*]
Designated Maturity:	[*insert period from/to*]
Reset Date:	[*insert Reset Date*] [Not applicable]

Factor: [*insert factor*] [Not applicable]

Margin: [[*insert margin*] per cent. *per annum*] [Not applicable]

□ plus

□ minus

[Minimum] [and] [Maximum] Interest Rate:

□ Minimum Interest Rate:

□ To Maturity Date: [[*insert percentage*] per cent. *per annum*]

□ From Maturity Date up to Extended Maturity Date: [[*insert percentage*] per cent. *per annum*]

□ Maximum Interest Rate:

□ To Maturity Date: [[*insert percentage*] per cent. *per annum*]]

□ From Maturity Date up to Extended Maturity Date: [[*insert percentage*] per cent. *per annum*]]

Day Count Fraction:[25]

□ Actual/Actual (ICMA)[26] [For the [Fixed Interest Term] [and the] [Floating Interest Term]] [Fictive Interest Payment Date: [*insert Fictive Interest Payment Date*]][27]

□ Actual/Actual (ISDA) [For the [Fixed Interest Term] [and the] [Floating Interest Term]]

□ Actual/365 (fixed) [For the [Fixed Interest Term] [and the] [Floating Interest Term]]

□ Actual/360 [For the [Fixed Interest Term] [and the] [Floating Interest Term]]

□ 30/360, 360/360 or Bond Basis[28] [For the [Fixed Interest Term] [and the] [Floating Interest Term]]

□ 30/360, 360/360 or Bond Basis[29] [For the [Fixed Interest Term] [and the] [Floating Interest Term]]

□ 30E/360 or Eurobond Basis (ISDA 2000)[30] [For the [Fixed Interest Term] [and the] [Floating Interest Term]]

[25] In the case of Zero Coupon Mortgage Covered Bonds, only applicable if default interest on the Redemption Amount/Optional Redemption Amount accrues in accordance with the Amortisation Yield or for the calculation of the Early Redemption Amount.
[26] If interest is not payable on a regular basis (for example, if there are Broken Amounts specified) Actual/Actual (ICMA) will not be a suitable fixed rate Day Count Fraction
[27] Insert in the case of a long/short first/last Calculation Period.
[28] Not applicable in the case of Zero Coupon Mortgage Covered Bonds.
[29] Not applicable in the case of Zero Coupon Mortgage Covered Bonds.
[30] Not applicable in the case of Zero Coupon Mortgage Covered Bonds.

□	30E/360 or Eurobond Basis (ISDA 2006)[31]	[For the [Fixed Interest Term] [and the] [Floating Interest Term]]
□	30E/360 (ISDA)	[For the [Fixed Interest Term] [and the] [Floating Interest Term]]

§ 3
Maturity, Redemption Amount[, Redemption for tax reasons, Redemption due to illegality or invalidity, Optional Redemption at the Option of the Issuer (Call Option), Extended Maturity Date]

Maturity Date:	[*insert maturity date*] [the Interest Payment Date (as defined above) falling in [*insert month*] of [*insert year*]]
Extended Maturity Date:	[Applicable/Not Applicable] [The extended maturity date is [●].]
[Redemption Amount:	
□ Specified Denomination	
□ Other amount	[*insert amount*] per Specified Denomination][32]
Optional Redemption at the Option of the Issuer (Call Option):	[Yes] [No]
[Call Date(s):	[*insert Call Date(s)*][of each year, commencing on [*insert date*]]
Right to redeem the Mortgage Covered Bonds in part:	[Yes] [No]
Notice period:	[*insert number (at least 5 Banking Days)*][Banking Days][months]
Optional Redemption Amount(s):	
□ Specified Denomination	
□ Other amount	[*insert Optional Redemption Amount(s) which may not be lower than the principal amount/issue price*]]
[Accrual of default interest on the Redemption Amount [and the Optional Redemption Amount] on the basis of:[33]	
□ Amortisation Yield	Reference Rate: [*insert Reference Rate*] Amortisation Yield: [*insert Amortisation Yield*]
□ default interest rate established by law]	

[31] Only applicable in the case of Mortgage Covered Bonds other than Zero Coupon Mortgage Covered Bonds and if ISDA 2006 Definitions shall be applicable
[32] Only applicable in the case of Zero Coupon Mortgage Covered Bonds. Such Redemption Amount may not be less than the Specified Denomination of the Mortgage Covered Bonds.
[33] Only applicable in the case of Zero Coupon Mortgage Covered Bonds.

Redemption for tax reasons (§ 3(2)):	[Applicable/Not Applicable]
Notice period for condition [§ 3(2)] (*Redemption for tax reasons*):	Minimum period: [●] days Maximum period: [●] days
Early Redemption Amount payable on redemption for taxation reasons or on event of default	[●]
□ [Amortisation Yield:	Reference Price: [*insert Reference Price*] Amortisation Yield: [*insert Amortisation Yield*]][34]

§ 4
Payments

Rounding of payable amounts:	[upwards][always downwards]
Dual currency Mortgage Covered Bonds:	[Yes] [No]
[Currency for settlement:	[*insert currency*] [The conversion of the amounts payable in [Euro] [*insert other currency*] is effected [at the Settlement Rate] [●]] [At least [EUR] [*Insert other currency*] [0.001] [*Insert other unit*] per [Specified Denomination] [for the Aggregate Principal Amount] will be paid]
Settlement Rate:	[*insert*] [Calculated on the basis of [*first exchange rate*] (expressed a a number of [*insert currency*] per [one][●] [*insert currency*]) multiplied by [*second exchange rate*] (expressed a a number of [*insert currency*] per [one][●] [*insert currency*])]
First Exchange Rate:	[*insert*], Screen Page: [*insert*], Fixing Sponsor: [*insert*]
Second Exchange Rate:	[*insert*], Screen Page: [*insert*], Fixing Sponsor: [*insert*]
Rate Calculation Date:	[*insert*] [[second] Banking Day before [*insert*]]
Bank Working Day:	[TARGET 2] [[*insert financial centre*] and [*insert financial centre*]]
Time:	[*insert*]
Time Zone:	[*insert*]]

Business Day Convention:

□ Following Business Day Convention

[34] Only applicable in the case of Zero Coupon Mortgage Covered Bonds.

	Floating Rate Convention[35]	[[*insert number*] months] [*insert other specified periods*]
	Modified Following Business Day Convention	
	Preceding Business Day Convention	
Adjustment:		[Yes] [No]
Banking Day:		[TARGET2] [London] [*insert other financial centres*]

§ 5
Principal Paying Agent, Paying Agent, Calculation Agent

Principal Paying Agent:	[Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom] [*insert other Principal Paying Agent*]
Additional Paying Agent(s):	[as of [*insert date*]] [*insert additional Paying Agent(s)*] [Not Applicable]
[Calculation Agent:	[Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom] [*insert other Calculation Agent*] [Not applicable]]

§ 10
Notices

[Notices may be given by means of electronic publication on the website of the relevant stock exchange:[36]	[Yes] [No]
Newspaper authorised by the stock exchange	[*insert newspaper authorised by the stock exchange*] [Not applicable]
Publication in another authorised newspaper if no longer possible:	[Yes] [No]
Website:	[*insert name of stock exchange*] [*insert website*] [Not applicable]]
Banking Day:	[TARGET2] [London] [*insert other financial centres*]

§ 14
Language

Language of Terms and Conditions:

[35] Only applicable in the case of Floating Rate Mortgage Covered Bonds.
[36] Only applicable if the Mortgage Covered Bonds are listed on a stock exchange.

☐ English and German (English binding)
(Whereas the translation into the German language will not be part of these Final Terms.)

☐ German and English (German binding)
(Whereas the translation into the German language will not be part of these Final Terms.)

☐ only English]

§ 15
(Amendments to the Terms and Conditions)

Meeting of Mortgage Covered Bondholders:

☐ with a physical meeting

☐ without a physical meeting

Limited liability of the common representative of the Mortgage Covered Bondholders:	[limited to [*insert amount*]-times of the annual retribution of the common representative] [*insert amount*] [Not applicable]]]

Part II

Material Information

Interest of natural and legal persons involved in the issue/offer	**[***specify if different from the interest as set out in the Base Prospectus, if any***]**
Reasons for the Offer and Use of Proceeds	**[***as set out in the Base Prospectus***]** **[***Green Mortgage Covered Bonds – specify details in accordance with the Sustainability Bond Framework***]** **[***Social Mortgage Covered Bonds – specify details in accordance with the Sustainability Bond Framework***]****[***Sustainability Mortgage Covered Bonds – specify details in accordance with the Sustainability Bond Framework***]**

Classical Global Note or New Global Note:

☐ Classical Global Note

☐ Intended to be held in a manner which would allow ECB eligibility

☐ New Global Note

Intended to be held in a manner which would allow ECB eligibility:	[*Yes. Note the designation "yes" simply means that the Mortgage Covered Bonds are intended upon issue to be deposited with one of the international central securities depositaries (ICSDs) as common safekeeper and does not necessarily mean that the Mortgage Covered Bonds 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.*] [*No. 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 Mortgage Covered Bonds are capable of meeting them may then be deposited with one of the international central securities depositaries (ICSDs) as common safekeeper. Note that this does not necessarily mean that the Mortgage Covered Bonds 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.*]

Securities Identification Numbers

[Common Code:	[●]**]**
[Preliminary Common Code:	[●]**]**
ISIN Code:	[●]
[Preliminary ISIN Code:	[●]**]**

German Securities Code (WKN):	[●]
[Preliminary German Securities Code (WKN):	[●]]
[CFI Code:	[●]**]**
[FISN:	[●]**]**
[Any other securities number:	[●]**]**
[Any other preliminary securities number:	[●]**]**

Yield

Yield on issue price:	**[[***insert percentage***]** % *per annum*.**]**[37] [Not applicable. The yield of the Mortgage Covered Bonds cannot be calculated [as of the issue date].]

Method of Distribution

- ☐ Non-Syndicated
- ☐ Syndicated

Management Details

Dealer/Management Group:	**[***insert name***]**

Commissions

[Management/Underwriting Commission:[38]	**[**Not applicable**]** **[***specify details***]**
[Selling Concession[37]:	**[**Not applicable**]** **[***specify details***]]**
Listing Commission:	**[**Not applicable**]** **[***specify details***]]**
Estimate of the total expenses related to admission to trading:	**[**Not applicable**]** **[***specify details***]]**
Stabilising Manager:	**[***insert details***]** **[**Not applicable**]**
Estimated net proceeds:	[●]
Listing(s) and admission to trading	**[Yes] [No]**

- ☐ Luxembourg Stock Exchange
- ☐ Regulated Market
- ☐ EuroMTF
- ☐ Other: [●]

[37] Only applicable for Fixed Rate Mortgage Covered Bonds.
[38] There is no requirement to set out information on Management/Underwriting Commission and Selling Concession in the case the Mortgage Covered Bonds have a minimum denomination of EUR 100,000 or the equivalent amount in another currency.

□ **Rating**[39] **[***specify rating***] [***specify meaning of the rating***]**

[Specify whether the relevant rating agency is established in the European Community and is registered or has applied for registration pursuant to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the **CRA Regulation**).**]**

[The European Securities and Markets Authority (**ESMA**) publishes on its website (www.esma.europa.eu) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.**]**

[Amounts payable under the Mortgage Covered Bonds will be calculated by reference to **[**EURIBOR®, which is currently provided by European Money Markets Institute (EMMI)**]** [CMS, which is currently provided by ICE Benchmark Administration Limited (**IBA**)] **[**SONIA®, which is currently provided by the Bank of England**] [**SOFR®, which is currently provided by the Federal Reserve Bank of New York**] [**€STR®, which is currently provided by the European Central Bank**] [**PRIBOR, which is currently provided by Czech Financial Benchmark Facility s.r.o.**] [**OTHER, which is currently provided by **[***insert administrator***]]**. As at the date of these Final Terms, **[**EMMI**] [**IBA**] [**the Bank of England**] [**the Federal Reserve Bank of New York**] [**Czech Financial Benchmark Facility s.r.o.**] [***insert administrator***] [**does**] [**do**] [**not**]** appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (**ESMA**) pursuant to Article 36 of the Regulation (EU) 2016/1011 (the **Benchmark Regulation**).]

[UniCredit Bank Czech Republic and Slovakia, a.s.

_____
[Name]]

[39] Insert relevant rating with regard to the rating of individual Mortgage Covered Bonds, if any.

GENERAL DESCRIPTION OF CZECH AND SLOVAK LEGISLATION RELATING TO MORTGAGE COVERED BONDS

1. CZECH LEGISLATION

The following description is of a general nature and sets out certain features of Czech law governing the issuance of the Mortgage Covered Bonds as Czech Mortgage Covered Bonds (in Czech, *hypoteční zástavní listy*), as at the date of this Base Prospectus. It does not purport to be, and is not, a complete description of all aspects of the Czech legislative and regulatory framework pertaining to the Czech Mortgage Covered Bonds.

As of the date of this Base Prospectus, the main legislation which governs the Czech Mortgage Covered Bonds as Czech covered bonds comprises (i) Section 28 *et seq.,* Part 2, Clause III of the Czech Bonds Act; (ii) the CNB Decree; and (iii) Section 375 as well as some other provisions of the Czech Insolvency Act.

2. CZECH COVERED BOND LEGISLATION

In accordance with Section 28(1) of the Czech Bonds Act, the Czech covered bonds (in Czech, *kryté dluhopisy*) are either (i) bonds; or (ii) similar debt securities representing a right for repayment of an owed amount which are issued under and governed by a foreign law.

Czech Mortgage Covered Bonds represent a sub-category of the Czech covered bonds which terms and conditions of which stipulate that the aggregate value of (i) issuer's mortgage loan receivables pursuant to Section 31(2)(a) of the Czech Bonds Act (the **Czech Bonds Act Mortgage Loans**), or (ii) issuer's mortgage loan receivables pursuant to Article 129(1)(d)-(f) of the CRR (the **CRR Mortgage Loans** and together with the Czech Bonds Act Mortgage Loans as the **Mortgage Loans**) included in the Cover Pool (as defined below) must be equal to at least 85 % of the aggregate value of all the debts covered by the relevant Cover Pool. Only the Czech Mortgage Covered Bond may bear the designation "hypoteční zástavní list" or any other designation expressing the same meaning in another language (e.g. mortgage covered bond) to be recognised as such under the Czech Bonds Act, the CNB Decree and the Czech Insolvency Act. Other securities are prohibited from using this designation.

Under the Czech Bonds Act, the Czech Mortgage Covered Bonds (as well as other covered bonds) may only be issued by a bank with its seat in the Czech Republic which holds a Czech banking licence granted by the CNB in accordance with Czech Act No. 21/1992 Coll., the Act on Banks, as amended (the **Czech Banking Act**). Under the Czech Banking Act, a bank is defined as a legal entity which is established as a joint-stock company that may accept deposits from the public and grant loans in accordance with its banking licence. The banking licence may also enumerate other activities which are permitted for the particular bank. Under Czech law, no specific licence or authorisation is required for the issuance of any Czech covered bonds.

The Czech Mortgage Covered Bonds and thus the Mortgage Covered Bonds issued by the Issuer under the Programme, constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and with all other Czech Mortgage Covered Bonds issued by the Issuer, then outstanding and benefiting from the same Cover Pool (the Issuer may, at its sole discretion, create multiple Cover Pools) and with other obligations of the Issuer that have been provided the same priority as the Czech Mortgage Covered Bonds.

If the Issuer becomes insolvent, claims of the holders of the Czech Mortgage Covered Bonds may be satisfied either from: (i) the Cover Pool; or (ii) any other (general) assets of the Issuer, subject to specific provisions of the Czech insolvency law (see section 9 Insolvency of the Issuer and the Cover Pool below).

The Cover Pool is a ring-fenced pool of: (A) assets registered in the cover assets register, identified and designated by the Issuer to constitute cover in respect of: (i) the Czech Mortgage Covered Bonds that the Issuer has either issued or, in the case of multiple existing issues, determined (and which are **outstanding**, i.e. in circulation, which are owned by a person other than the Issuer or which are owned by the Issuer and have been provided to another person as a security or collateral); and (ii) certain other debts of the Issuer; and (B) also other assets (accessory assets) which belong to that Cover Pool by the operation of law, i.e. without the need of their registration to the cover assets register (the **Cover Pool**). The respective Cover Pool is created upon registration of at least one asset satisfying the relevant eligibility criteria set out in the Czech Bonds Act in a cover assets register, which is maintained separately in respect of each Cover Pool (if multiple Cover Pools are created) (the **Cover Assets Register**). From the moment of registration of an eligible asset in the Cover Assets Register, such an asset becomes a cover asset (the

Cover Asset) (particular Cover Assets are described in detail in section The Cover Pool – Composition of Assets and Statutory Tests) and cannot be transferred, pledged or otherwise used as a security.

Pursuant to the Czech Bonds Act, the Issuer is required to maintain at least one Cover Pool for the benefit of all debts that it covers. However, the Issuer may create multiple Cover Pools for the benefit of individual or specified multiple issuances or series of the Czech Mortgage Covered Bonds, at its sole discretion. If this is the case, the Issuer must also determine which debts are to be covered by each Cover Pool, whereas if the Issuer has created only one Cover Pool, such determination is not required.

Moreover, in case a creditor enforces claims against the Issuer through judicial enforcement pursuant to the Civil Procedure Code or through an executor pursuant to the Czech Act No. 120/2001 Coll on Court-Appointed Distrainers and Distraining Activities, as amended (the **Execution Code**), pursuant to Section 267b of the Czech Civil Procedure Code and Section 52 of the Execution Code, the Cover Assets cannot be used in enforcement to fulfil other debts than those debts which are covered by the same Cover Pool.

Under the Czech Bonds Act, the legal title to any Cover Assets included in the Cover Pool continues to be held by the Issuer and such assets remain on the balance sheet of the Issuer. However, the Cover Assets must not be transferred, mortgaged or otherwise used as security.

The Issuer must continuously monitor the eligibility of the Cover Assets. The Issuer must remove from the Cover Assets Register such Cover Assets which no longer satisfy the legal requirements (eligibility criteria) from the Cover Pool and substitute them with other eligible assets to the extent required. However, the Covered Block Administrator (as defined below), if and once appointed, has no such duty.

Pursuant to Section 375 of the Insolvency Act the Cover Pool does not form a part of the insolvency estate of the Issuer. This means that the Cover Pool is to be managed separately from the insolvency proceedings applicable to an insolvency estate of the Issuer (i.e. on a bankruptcy remote basis) (for further details, please see section 9 Insolvency of the Issuer and the Cover Pool below).

In addition, pursuant to Section 337c(1)(c) of the Civil Procedure Code, the receivables under the Mortgage Loans, which are included in the Cover Pool covering the Czech Mortgage Covered Bonds in circulation, will be satisfied in priority to any claims of all other creditors of the borrowers of those Mortgage Loans and any claims of all other mortgagees in respect of the Mortgaged Property (as defined below) securing those Mortgage Loans from the proceeds of the liquidation of the Mortgaged Property following only deduction of the costs of the state of the Czech Republic arising in connection with the foreclosure auctions and, if applicable, the deduction of the costs relating to the administration of the building and the land that are due from the owner of the Mortgaged Property, which is a unit situated within that building, up to the amount of one-tenth of the proceeds of the sale of such Mortgaged Property. This means that the Issuer's receivables from the Mortgage Loans will have priority rights with respect to any cash flows from any enforcement or foreclosure proceedings in respect of the Mortgaged Property securing the Mortgage Loans included in the Cover Pool (up to the amount in which the Mortgage Loans are included in the Cover Pool) *vis-à-vis* any other creditors including the Issuer's creditors.

3. COVER ASSETS AND STATUTORY COVER TESTS

Cover Assets

Pursuant to the Czech Bonds Act, only the following types of assets (the **Eligible Assets**) may be registered in the Cover Assets Register:

(a) CRR Mortgage Loans and other assets set out in Articles 129(1) and (2) of the CRR (while any Derivative (as defined below) must comply with requirements under point (e) below);

(b) Czech Bonds Act Mortgage Loans;

(c) (i) receivables against a member state of the Organisation for Economic Co-operation and Development (the **OECD**) or the central bank of such a state or a multilateral development bank or international organisation whose member is a member state of the OECD; (ii) receivables guaranteed by a member state of the OECD or the central bank of such a state or a multilateral development bank or international organisation whose member is a member state of the OECD; or (iii) exposures pursuant to Article 129(1)(a) or (b) of the CRR (the **CRR PSB's Receivables**) and together with the assets under subparagraphs (i) and (ii) also referred to as the **PSB's Receivables and Exposures**).

(d) cash of the Issuer held on an account kept by a person set out in Section 72(2) of the Act No. 240/2013 Coll., on Investment Companies and Investment Funds, as amended (the **Cash**); and

(e) rights arising out of a derivative in accordance with Section 2 point 5 of the Regulation (EU) No 648/2012 of the European Parliament and of the Council, on OTC derivatives, central counterparties and trade repositories (i.e. a financial instrument as set out in points (4) to (10) of Section C of Annex I to MiFID II (the **Derivative**), provided that the following cumulative conditions are met: (i) the purpose of the Derivative is to hedge against the risks related to Cover Assets included in the Cover Pool or the Czech Mortgage Covered Bonds, (ii) from the terms under which the derivative contract was concluded, it is clear that it relates to the Czech Mortgage Covered Bonds, (iii) the terms of the Derivative provide that insolvency (in Czech, *platební neschopnost*) of an Issuer or a crisis resolution (in Czech, *řešení krize*) or similar measure in respect of an Issuer does not constitute an event of default or a termination or similar event which could lead to early termination of the Derivative; and (iv) the Issuer's counterparty to the Derivative has granted its prior consent with registration of the Derivative in the Cover Assets Register (while the same applies also to removal of the Derivative from the Cover Assets Register).

The Cover Pool also includes the following assets that are part of the Cover Pool by operation of law without a need of their registration in the Cover Assets Register (each being the **Accessory Asset**):

(a) rights from a security provided in relation to any Cover Asset included in the Cover Pool, rights from mortgages over real property in relation to the Mortgage Loans in particular;

(b) rights from agreements entered into in relation to any Cover Assets included in the Cover Pool (particularly the rights from any insurance arrangements);

(c) an asset provided (posted) as collateral or other security in respect of the Derivative;

(d) rights from agreements concluded in relation to the administration of the Covered Block (as defined below) whose part is the Cover Pool; and

(e) from the moment of appointment of a Covered Block Administrator (as defined below), cash accepted as payment for the repayment of a debt arising from a Cover Asset that is included in the Cover Pool or in direct connection with such Cover Asset.

Statutory Cover Tests

First, the aggregate nominal value of all the Cover Assets included in the Cover Pool must represent at least 102 % of the aggregate value of all debts covered by the relevant Cover Pool, i.e. resulting in a minimum 2% statutory over-collateralisation (the **Statutory Minimum OC Level Test**). The terms and conditions of the respective Czech Mortgage Covered Bonds may set a higher over-collateralisation level.

Secondly, the aggregate value of the Cover Assets in the Cover Pool has to represent at least 85 % of the aggregate value of the debts covered by the relevant Cover Pool, whereas only the Mortgage Loans may be used to fulfil this limit in respect of the Czech Mortgage Covered Bonds (the **Statutory 85 % Test**) and together with the Statutory Minimum OC Level Test as the **Statutory Cover Tests**).

The Issuer must (i) ensure that the Statutory Cover Tests are constantly complied with and (ii) within 25 days after the end of each calendar quarter inform the CNB on whether and how the Issuer meets its duties under Section 28c of the Czech Bonds Act (including, but not limited to, compliance with the Statutory Cover Tests and the Statutory 100 % Individual LTV Test (as defined below)).

Mortgage Loans

The nominal value of each Czech Bonds Act Mortgage Loan may not exceed 100 % of the value of the Mortgaged Property (as described below in section 4 Valuations of the Mortgaged Property) (the **Statutory 100 % Individual LTV Test**). However, this requirement does not operate as a strict eligibility criterion. Therefore, to the extent the nominal value of an individual Czech Bonds Act Mortgage Loan exceeds such limit (and only to that extent), it is disregarded for the purpose of calculating the Statutory Cover Tests. For the CRR Mortgage Loans, specific collateral value tests, as set out in the CRR, will apply.

For a Mortgage Loan to be eligible to be included in the Cover Pool it must be secured by way of a legally perfected first ranked mortgage in favour of the Issuer over real property (subject to the exceptions below) (including real property under construction) located in the Czech Republic, any other member state of the European Union or a member state of the EEA (the **Mortgaged Property**). A Mortgage Loan becomes eligible to be included in the Cover Pool as of the moment when the Issuer learns about the legal effects of the creation of the mortgage relating to the Mortgaged Property.

In addition, the following criteria apply to the Mortgage Loans in the Cover Pool: (i) the Mortgage Loans must be granted or legally owned by the Issuer; (ii) the Mortgaged Property cannot be encumbered by a mortgage or a similar right of security of a third party, which would rank *pari passu* or in priority to the mortgage securing the repayment of the Mortgage Loans included in the Cover Assets Register in favour of the Issuer; and (iii) a transfer of any Mortgaged Property securing the Mortgage Loan cannot be restricted by previously created disposals prohibition, provided that the Mortgaged Property is not considered to be subject to a prior ranking security interest or disposal prohibition if they cease to exist as a result of repayment of the obligations secured by them from the proceeds of the relevant Mortgage Loan. If the criteria under paragraphs (ii) and (iii) are not fulfilled, the nominal value of such Mortgage Loan shall be for the purpose of calculating the Statutory Minimum OC Level Test equal to zero.

In the case of a borrower's default under a Mortgage Loan pursuant to Article 178 of the CRR (or based on a fulfilment of stricter conditions set out in the relevant terms and conditions), the nominal value of the Mortgage Loan included in the Cover Pool is for the purpose of both Statutory Cover Tests decreased by 100 %.

Additionally, Section 28c of the Czech Bonds Act stipulates that an issuer of covered bonds that bear the designation "CRR" in their title must ensure that the covered bonds fulfil criteria pursuant to Article 129 of the CRR. Only those covered bonds that fulfil the criteria of Article 129 of the CRR may bear the designation "CRR" in their title.

4. VALUATIONS OF THE MORTGAGED PROPERTY

The Issuer must determine the value of the Mortgaged Property (the **Mortgaged Property Value**) and issue guidelines for these valuations in the form of its internal rules (the **Valuation Guidelines**) while respecting the principles set out below. Pursuant to Section 29(3) of the Czech Bonds Act, the value of the Mortgaged Property determined by the Issuer may not exceed open market value (in Czech, *cena obvyklá*) which is to be determined in accordance with the Czech Act No. 151/1997 Coll., as amended (the **Property Valuation Act**), and with special regard to: (i) characteristics of the Mortgaged Property which are sustainable on a permanent and a long-term basis; (ii) income achievable by a third party while administering the Mortgaged Property with due care; (iii) rights and encumbrances attached to the Mortgaged Property; and (iv) conditions prevailing on the local real property market and anticipated development of that market. These conditions are similar, yet not identical to those set out in Article 4, point 74 of the CRR.

5. VALUATIONS OF THE COVER ASSETS

The value of the Cover Assets included in the Cover Pool is, for the purpose of calculating the Statutory Cover Tests, expressed in their nominal value, while the value of the Derivatives is by default expressed in their real value in accordance with the international accounting standards governed by the Regulation No. 1126/2008 of the European Commission, adopting certain accounting standards in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council, as amended.

Any Cover Asset the value of which, for the purpose of determining compliance with the Statutory Cover Tests, is zero nevertheless remains part of the Cover Pool until such asset is removed (deregistered) from the Cover Assets Register.

6. COVERED BLOCK AND ITS MANAGEMENT

Covered Block

With the creation of one or more Cover Pools, the Issuer also creates one or more covered blocks, which are fully segregated and ring-fenced blocks of assets and liabilities (debts) of the Issuer (the **Covered Block**). The Covered Block constitutes the Cover Pool and the debts that it covers.

A Cover Pool covers both the debts from the Czech Mortgage Covered Bonds (the **Covered Bonds Debts**) that it covers and the debts related to those Czech Mortgage Covered Bonds, which may be

determined in the relevant terms and conditions or the prospectus of the Czech Mortgage Covered Bonds or in an agreement relating to the Czech Mortgage Covered Bonds, particularly of the following type: (i) a receivable of a Covered Block Administrator (as defined below); (ii) a receivable arising out of legal acts of a Covered Block Administrator undertaken for the benefit of the Cover Pool; (iii) a receivable of a covered block monitor; (iv) a receivable of a common representative of the Czech Mortgage Covered Bondholders; (v) a receivable of counterparty of the Derivative arising under the Derivative or in direct connection with it (provided the relevant Derivative is registered in the Cover Assets Register); and (vi) a receivable of another person specified in the relevant terms and conditions or the relevant prospectus that participated on the issuance of the Czech Mortgage Covered Bonds or on the administration of the Covered Block which serves to cover such debts (the **Accessory Debts**).

Under the Czech Bonds Act, the Issuer may appoint a covered block monitor (in Czech, *monitor krytého bloku*) to monitor the Covered Block (or multiple Covered Blocks) and the related parts of the Covered Block Records (as defined below). The covered block monitor should disclose, without undue delay, to the Czech Mortgage Covered Bondholders any material information as to whether and how the Issuer meets the Statutory 100 % Individual LTV Test and the Statutory Cover Tests. As the relationship between the Issuer and the covered block monitor is contractual, further details of the covered block monitor's duties and powers will be specified in the relevant agreement, which must be made in writing. The covered block monitor must carry out its activities with due professional care, and particularly in a qualified, honest and fair manner and in the best interest of the Czech Mortgage Covered Bondholders. The Asset Monitor appointed pursuant to the Asset Monitor Agreement under this Programme is considered and is to be treated as covered block monitor under the Czech Bonds Act (see section Asset Monitor Agreement).

Pursuant to Section 32 of the Czech Bonds Act, the Issuer must maintain records of Covered Blocks with respect to (i) each of its Cover Pools; and (ii) each issue of the Czech Mortgage Covered Bonds outstanding (the **Covered Block Records**). The Covered Block Records must provide complete information for assessing whether and how the Issuer fulfils its obligations under the Czech Bonds Act and the CNB Decree (i.e., the Statutory 100 % Individual LTV Test and the Statutory Cover Tests). Upon the appointment of the Covered Block Administrator (as defined below), the obligation to maintain the Covered Block Records shifts (to the full extent) from the Issuer to the Covered Block Administrator. Further details and requirements relating to maintaining of the Covered Block Records are set out in the CNB Decree.

The Covered Block Records consist of (i) the Cover Assets Register; (ii) the records of the Accessory Assets (the **Accessory Assets Records**); (iii) the records of debts from Mortgage Covered Bonds outstanding (the **Debts Records**); and (iv) the records of Accessory Debts and debts related to assets under paragraphs (i) and (ii) (the **Accessory Debts Records**) each of them kept separately for each Covered Block that the Issuer has created.

The Covered Block Records are not publicly available (i.e. Covered Block Records are not public registers) and the details contained therein are subject to banking secrecy rules set out in the Czech Banking Act.

Pursuant to the CNB Decree, the Covered Block Records must contain: (i) the list of the Covered Blocks; and (ii) comprehensive information about each of the Covered Blocks, including: (A) identification of the Covered Block itself; (B) the type of the Czech covered bonds; (C) information on whether the Covered Block includes Czech covered bonds which bear the "CRR" compliance designation in their names; (D) higher limits going above the Statutory 100 % Individual LTV Test and the Statutory Cover Tests (if applicable under the terms and conditions of the relevant issue of the Czech Mortgage Covered Bonds); (E) identification of the currency in which the Covered Block Records are maintained; (F) the aggregate value of Covered Bonds Debts; (G) the aggregate value of the Accessory Debts; (H) the aggregate value of the Cover Assets for the purposes of the Statutory Minimum OC Level Test; and (I) the aggregate value of the Cover Assets for the purposes of the Statutory 85 % Test.

The Issuer must maintain the Covered Block Records in an electronic format enabling it to track and reproduce all the past entries and changes and keep the Covered Block Records up to date. The Covered Block Records are maintained based on documentation that justifies the inclusion of each particular asset or debt in the Covered Block. Such documentation would mainly include a loan agreement relating to the Mortgage Loan (including its amendments), documentation relating to the Mortgaged Property including the relevant security agreements, an up-to-date extract from the cadastral register of real property, the Mortgaged Property Value, the Valuation Guidelines and other documentation relating to each asset included in the Cover Pool and each issue of the Czech Mortgage Covered Bonds.

For conversion of any financial information contained in the Covered Block Records, the foreign exchange rate published by the CNB on the date of the conversion will be used. If no such exchange rate is available for the currency or currencies in question, the conversion in accordance with the Czech Act No. 563/1991 Coll., on Accounting, as amended, will be used. Employees of the department keeping the Covered Block Records must be provided with up-to-date, reliable and complete information in order to decide on including items into or removing items from the Covered Block Records or undertaking other activities related to the duties under the CNB Decree.

Cover Assets Register

Pursuant to the CNB Decree, the Cover Assets Register must contain at least the following details in relation to each Mortgage Loan included in the Cover Assets Register: (i) the identification of the relevant Mortgage Loan; (ii) the type of the relevant Cover Asset based on categorisation as provided for in Article 129(1) of the CRR or in the Czech Bonds Act; (iii) information whether the relevant debtor is in default pursuant to Article 178 of the CRR; (iv) the identification of currency in which the relevant Mortgage Loan was concluded; (v) the mortgage lending value of the Mortgaged Property; (vi) the nominal value of the Mortgage Loan receivable; and (vii) the nominal value of the Mortgage Loan receivable for the purposes of calculating the Statutory Cover Tests and the Statutory 100 % Individual LTV Test.

In relation to the Cover Assets other than the Mortgage Loans, the Cover Assets Register must contain at least: (i) identification of the relevant Cover Asset; (ii) determination of the type of such Cover Asset based on categorisation as provided for in Article 129(1) of the CRR or the Czech Bonds Act; (iii) information whether the debtor is in default pursuant to Article 178 of the CRR; (iv) type, trade date, effective date of a Derivative and name of the derivative counterparty, (v) currency or currencies in which the Cover Asset was entered into; (vi) value of the Cover Asset (or positive real value of the Derivative); and (vii) the value of the Cover Asset for the purpose of calculating of the Statutory Cover Tests and the Statutory 100 % Individual LTV Test.

Accessory Assets Records

Pursuant to the CNB Decree, the Accessory Assets Records must contain at least the following details in relation to each Accessory Asset: (i) the identification of the relevant Accessory Asset; (ii) the identification of the relevant contract(s) relating to the Accessory Asset; (iii) the identification of the Derivative's security; (iv) indication as to whether it is possible to use the security for the purposes of the Statutory Minimum OC Level Test; (v) currency/currencies in which the Accessory Asset was arranged; and (vi) real value of the security pursuant to paragraph (iii) in the currency in which the Accessory Assets Records are being kept.

Debts Records

Pursuant to the CNB Decree, the Debts Records must contain at least the following details in relation to each issue: (i) the identification of the relevant issue; (ii) the issue date; (iii) the maturity date of the issue; (iv) the currency or currencies in which the debt was concluded; (v) the nominal value of the outstanding issue; (vi) the value of the accrued proceeds from the issue in the currency in which the Debts Record is kept; and (vii) the nominal value of the unissued part of the issue if it serves for the identification of the debts for which the relevant Cover Pool serves as a cover in the currency in which the Debts Record is kept.

Accessory Debts Records

Pursuant to the CNB Decree, the Accessory Debts Records must contain at least the following details in relation to each Accessory Debt included in the Accessory Debts Records: (i) the identification of the respective Accessory Debt; (ii) the identification of the type of the Accessory Debt; (iii) the currency or currencies in which the respective Accessory Debt was concluded; and (iv) the nominal value of the Accessory Debt in the currency in which the Accessory Debts Records are kept; save for the case of an Accessory Debt arising from a Derivative in which case the value of debt is recorded as a negative real value of such a Derivative.

7. CONSEQUENCES OF CERTAIN ISSUER'S SHORTCOMINGS

Under the Czech Banking Act, the CNB may take certain steps or actions against or impose certain measures upon the Issuer, being a bank with its seat in the Czech Republic and holding a Czech banking licence (a **Czech Bank**), provided that the CNB finds "shortcomings in the activities" of the Issuer (the **Shortcomings**). The CNB may only take such steps or actions or impose measures for so long as the

Issuer holds its banking licence (i.e. before its banking licence has been revoked by the CNB) and until insolvency proceedings under the Czech Insolvency Act have been commenced against the Issuer.

The Czech Banking Act contains a list of the Shortcomings, which includes, in particular, the violation or breach of obligations or terms set out in (i) the Czech Banking Act; (ii) a legal act implementing the Czech Banking Act; (iii) a measure of general nature issued pursuant to the Czech Banking Act (in Czech, *opatření obecné povahy);* (iv) a decision issued pursuant to the Czech Banking Act (in Czech, *rozhodnutí);* (v) the directly applicable legal act of the European Union (in Czech, *přímo použitelný právní předpis Evropské unie*) regulating prudential requirements; or (vi) the Issuer's banking licence or such other breach discovered during an inspection or official review of the Issuer. Therefore, for instance, failure by the Issuer to comply with the applicable Statutory Cover Tests (as set out in section The Cover Pool – Composition of Assets and Statutory Tests above), may lead to the CNB taking steps or actions against, or imposing measures, upon the Issuer.

Upon the discovery of the Shortcoming, and depending on the nature and gravity of that Shortcoming, the CNB may impose certain remedial measures on the Issuer (each a **Measure**), including but not limited to: (a) requiring the Issuer to suspend or terminate certain trades which would represent a risk for the Issuer; (b) requiring the Issuer to limit its distribution network; (c) requiring the Issuer to replace a member of its Board of Directors or its supervisory board (the **Supervisory Board**); (d) requiring the Issuer to decrease its shareholding in another entity or to transfer its shareholding in that entity or to otherwise limit the risks associated with its shareholding in that entity; (e) amending the Issuer's banking licence by excluding or restricting some banking activities stated therein; (f) ordering an extraordinary audit of the Issuer; or (g) restricting or prohibiting certain activities of the Issuer with persons who are closely associated with the Issuer (in Czech, *osoby, které jsou spjaty úzkým propojením s bankou*) or persons who are a part of the same consolidated unit or persons with special relations to the Issuer (in Czech, *osoby se zvláštním vztahem k bance*). Section 19 of the Czech Banking Act defines persons with special relations to the Issuer as, among others: (i) members of the Supervisory Board of the Issuer; (ii) members of the Board of Directors of the Issuer; (iii) persons controlling the Issuer, shareholders who have a qualified holding in such controlling persons and management of these two; (iv) persons closely associated with a member of the Board of Directors, Supervisory Board and board of non-executive directors, members of the audit, risk, appointment and remuneration committee or a person controlling the Issuer; (v) an entity in which a person mentioned in paragraphs (i) to (iii) above has a qualified holding; (vi) a person with a qualified holding in the Issuer and any person controlled by them; (vii) a member of the banking council of the CNB; and (viii) entities controlled by the Issuer (the **Connected Persons**).

In case of continuing serious Shortcomings of the Issuer, the CNB may revoke its banking licence. The Issuer's banking licence may also be revoked by the CNB in other cases specified in the Czech Banking Act, including insolvency of the Issuer or a decision finding that the Issuer seriously breached its obligations under laws preventing money laundering and financing of terrorism.

8. CZECH RESOLUTION AND RECOVERY ACT

As long as the Issuer, being a Czech Bank, holds its banking licence issued by the CNB, the Czech Insolvency Act does not generally apply to it. However, the Issuer, as a Czech bank, is subject to the Czech Resolution and Recovery Act, which came into effect on 1 January 2016. The Czech Resolution and Recovery Act implements the BRRD into Czech law, which seeks to establish a common framework for the orderly recovery and resolution of failing (or likely to fail) credit institutions and investment firms within the European Union (as well as of entities within their group if deemed relevant).

Responsibility for the operation of the Czech Resolution and Recovery Act rests almost exclusively with the CNB as the competent resolution authority while the Ministry of Finance of the Czech Republic holds some joint powers together with the CNB in adopting and applying the governmental stabilisation tools (including the temporary public ownership (nationalisation) of all or part of a Czech Bank such as the Issuer.

The Czech Resolution and Recovery Act provides for a special resolution regime applicable to a Czech Bank (such as the Issuer) and distinguishes between two basic sets of measures and tools. These measures and tools are crisis prevention measures (in Czech, *opatření k předcházení krizí*) and crisis resolution measures (in Czech, *opatření k řešení krize*). The Czech Resolution and Recovery Act also deals with certain other matters.

The crisis prevention measures represent, for the most part, early intervention measures and as such can be described as pre-resolution measures or tools. Their main goal is to remedy potential Shortcomings

of, among others, Czech Banks such as the Issuer, including by virtue of breaches or series of breaches of the Czech Resolution and Recovery Act or the Czech Banking Act (including various deficiencies or impediments to recoverability of the Issuer) and prevent such Shortcomings, which may result from a rapid deterioration of their financial condition, and in turn, prevent the spread of financial problems among Czech Banks (including the Issuer) and other entities subject to the Czech Resolution and Recovery Act. Accordingly, the CNB may, among other things, gradually (i) impose specific administration measures on the Issuer in order to remedy the Shortcomings or breaches and/or address or remove deficiencies or impediments to recoverability (these measures broadly correspond to those set out in Article 27 of the BRRD as implemented in the Czech Resolution and Recovery Act); (ii) remove the members of the Issuer's Board of Directors and make the appointment of new members of the Board of Directors conditional upon the CNB's prior consent; or (iii) impose temporary administration of the Issuer by virtue of the appointment of one or more temporary administrators (who would be appointed by the CNB in order to facilitate the functions of the Issuer's Board of Directors and senior management while the temporary administration may last for up to 12 months, unless extended by the CNB).

The primary effect of temporary administration is that a temporary administrator with adequate qualification and capabilities is appointed by the CNB to help manage and run the Issuer. The precise function and powers of the temporary administrator under the Czech Resolution and Recovery Act are specified by the CNB at the time of appointment and can include various investigatory and management consultation powers, granting prior approvals to decisions of the Issuer's Board of Directors and senior management or powers to actually manage the Issuer whereby the exercise of the powers by the Issuer's Board of Directors and senior management (but not those by the general or shareholders' meeting) is suspended (fully or in part) and the temporary administrator, appointed by the CNB, takes over their functions.

The general conditions to the exercise of crisis resolution measures set out in the Czech Resolution and Recovery Act require that: (i) the Issuer is failing; (ii) having regard to all circumstances, there is no reasonable prospect that any other measure would prevent the failure of the Issuer; and (iii) the resolution action is necessary in the public interest. Under the Czech Resolution and Recovery Act, the Issuer is deemed to be failing if, for example (i) it meets the conditions for the withdrawal of its banking licence, particularly due to a loss that causes or may cause significant decrease in the amount of its capital; (ii) its liabilities exceed the value of its assets; or (iii) it is unable to pay its debts as they fall due. Should the Issuer be failing, its Board of Directors must notify the CNB. Crisis resolution measures are in the public interest if it is necessary and one or more of the resolution objectives would not be met to the same extent by the winding-up or insolvency proceedings in respect of the Issuer.

The relevant provisions of the Czech Resolution and Recovery Act contain further specific conditions for various individual crisis resolution measures such as a transfer to a private sector purchaser, a bridge institution or an asset management entity or applying government stabilisation tools (including a transfer to temporary public ownership (nationalisation)).

In the case of a special management for crisis resolution, either the CNB through one or more of its employees directly or a special manager (or administrator) appointed by the CNB takes over, and the authority of the Issuer's Board of Directors and supreme body (i.e. shareholders' meeting) is automatically fully suspended. As a result, the relevant bodies of the Issuer (and their powers) are replaced with the CNB or the special manager for crisis resolution. The special management for crisis resolution may last for up to 12 months, unless extended by the CNB.

The Czech Resolution and Recovery Act further provides for the following crisis resolution measures: (i) a transfer of the shares of the Issuer or assets or liabilities of the Issuer or part thereof to a private sector purchaser (the **sale of business tool**); (ii) a transfer of the shares of the Issuer or assets or liabilities of the Issuer or part thereof to a bridge institution that is wholly or partially owned (directly or indirectly) and controlled by the Czech Republic (the **bridge institution tool**); (iii) a transfer of all or part of the assets or liabilities of the Issuer to an asset management entity owned (directly or indirectly) and controlled by the Czech Republic (the **asset separation tool**); (iv) a write-down of certain claims of unsecured creditors of the relevant entity and/or conversion of certain unsecured debt claims (eligible liabilities) to equity (the **bail-in tool**), which equity could also be subject to any future write-down; and (v) a government stabilisation tool including public equity support and a temporary stabilisation comprising a transfer to temporary public ownership (nationalisation) of all or part of the Issuer. These crisis resolution measures are achieved through the exercise of one or more "crisis resolution powers" detailed in the Czech Resolution and Recovery Act, which enable share transfers, property transfers, bail-in of capital instruments and eligible liabilities and recognition of the effect of a third country special resolution action taken under the laws of a country outside the EEA.

The CNB further has certain wide powers pursuant to the Czech Resolution and Recovery Act including, in certain circumstances, powers to unilaterally cancel a contract or modify contractual arrangements or transfer all rights and obligations under a contract as well as some other ancillary resolution powers in order to enable the crisis resolution measures under the Czech Resolution and Recovery Act to be used effectively. As regards these resolution powers to unilaterally cancel a contract or modify contractual arrangements or transfer all rights and obligations under a contract (which would include the Terms and Conditions of the Mortgage Covered Bonds, any agreements or contracts entered into in respect of the Mortgage Covered Bonds and rights and obligations under the same), the Czech Resolution and Recovery Act contains specific safeguards in respect of certain "protected rights and liabilities".

Similarly, with respect to share and property transfers, and most notably partial property transfers, which could be used by the CNB in applying any of the sale of business tool, the bridge institution tool or the asset separation tool, the concern is that the CNB could use such power to "cherry-pick" certain rights and obligations in respect of the Mortgage Covered Bonds or any Cover Pool or otherwise interfere with the Terms and Conditions of the Mortgage Covered Bonds or rights and obligations under the Czech Mortgage Covered Bonds. Accordingly, the Czech Resolution and Recovery Act provides for various protections from the effect of partial property transfers. Under the Czech Resolution and Recovery Act, a transfer or passage of property, rights and liabilities under legal arrangements or relationships that qualify as "protected rights and liabilities", may not provide for the transfer or passage of only some, but not all such "protected rights and liabilities". The "protected rights and liabilities" under legal arrangements or relationships under the Czech Resolution and Recovery Act in turn comprise, irrespective of their number of parties, governing law and contractual or statutory basis, among other things, covered bonds as well as structured finance arrangements, including securitisations and instruments used for hedging which form an integral part of any Cover Pool and which are secured in a way similar to the covered bonds.

The relevant safeguards contained in the Czech Resolution and Recovery Act provide that a partial property transfer may not provide for the transfer of only some, but not all, of the "protected rights and liabilities" under the Czech covered bonds, which technically means that the CNB must not (i) decide on the transfer or passage of any Cover Asset in any Cover Pool without the simultaneous passage of the Czech covered bonds; or (ii) decide on the transfer or passage of any Czech covered bonds without the simultaneous passage of the benefit of the Cover Assets in any Cover Pool.

The bail-in tool represents one of the crisis resolution measures under the Czech Resolution and Recovery Act. In this process, losses are imposed on some of the Issuer's direct stakeholders by either a write-down of their claims or by their conversion to equity. The purpose of the bail-in tool is to offset losses and/or recapitalise all or a part of the Issuer or its successor entity. This tool is exercised by the CNB through a write down of certain claims of unsecured creditors of the Issuer and/or conversion of certain unsecured debt claims (eligible liabilities) to equity, which equity (i.e. capital instruments which may take the form of Common Equity Tier 1 instruments) could also be subject to any future write-down. The Czech Resolution and Recovery Act stipulates certain specific conditions to exercise of the bail-in tool, which the CNB will be obliged to observe. The effect of exercise of the bail-in tool by the CNB is broadly that (i) the nominal value or the amount of principal of an eligible liability owed by the Issuer is permanently decreased as a result of the partial write-down or partial conversion to equity; or (ii) an eligible liability owed by the Issuer is cancelled altogether as a result of the full write-down or cancelled and modified as a result of full conversion to equity.

The scope of eligible liabilities (which can be subject to the bail-in tool) includes all liabilities of the Issuer, unless such liabilities are explicitly excluded. In line with the BRRD, the rules explicitly exclude from the scope of eligible liabilities, among other things, any liabilities owed by the Issuer under covered bonds up to the value of all assets that are included in the relevant Cover Pool. On the basis of the Czech Resolution and Recovery Act, therefore, the exercise by the CNB of the bail-in tool in relation to the Issuer could only affect any liabilities owed by the Issuer under the Mortgage Covered Bonds to the extent that they are not covered and exceed the values of assets included in the Cover Pool.

Finally, the application of any of crisis prevention measures and crisis resolution measures under the Czech Resolution and Recovery Act does not *per se* trigger any segregation or ring-fencing of the assets in any Cover Pool from the rest of the Issuer's assets.

9. INSOLVENCY OF THE ISSUER AND THE COVER POOL

The Czech Insolvency Act does not apply to the Issuer, being a Czech Bank, for so long as it holds its banking licence. The Issuer's banking licence may only be revoked by the CNB if there are significant

Shortcomings (see section 7 Consequences of Certain Issuer's shortcomings above) and in certain other cases specified by the Czech Banking Act. The application of crisis resolution measurers (as described above in section 8 Czech Resolution and Recovery Act above) may but does not have to precede the revocation of the Issuer's banking licence. The Czech Insolvency Act distinguishes between:

(a) Commencement of Insolvency Proceedings (as defined below) (in Czech, *zahájení insolvenčního řízení*) against the Issuer;

(b) declaration of insolvency (in Czech, *rozhodnutí o úpadku*) (the **Declaration of Insolvency**); and

(c) declaration of bankruptcy (in Czech, *rozhodnutí o prohlášení konkursu*) (the **Declaration of Bankruptcy**).

The **Commencement of Insolvency Proceedings** means only the commencement of the court proceedings ascertaining whether insolvency (in Czech, *úpadek*) or threatened insolvency (in Czech, *hrozící úpadek*) of the Issuer exists. The occurrence of these proceedings does not automatically lead to the Declaration of Insolvency or the Declaration of Bankruptcy.

The insolvency proceedings are commenced by an insolvency petition (in Czech, *insolvenční návrh*) which may be filed by the Issuer itself, a creditor of the Issuer or the CNB. After the Commencement of Insolvency Proceedings, the insolvency court would examine whether the Issuer is insolvent, and if the court finds so, it would declare the Issuer insolvent.

As of the Commencement of Insolvency Proceedings, the Czech Insolvency Act imposes specific restrictions on the Issuer as well as on the Issuer's creditors to protect the general insolvency estate (in Czech, *majetková podstata*) (the **General Insolvency Estate**). Specifically, as of the moment of publication of an insolvency petition and unless the insolvency court rules otherwise, the Issuer is obliged to refrain from any dispositions with the assets that form part of the General Insolvency Estate and those assets which may potentially belong there, provided that such dispositions would cause significant changes in the composition, usage or determination of these assets or a reduction, other than negligible reduction, of these assets. Also, the Issuer's monetary obligations which arose before the Commencement of Insolvency Proceedings can only be performed by the Issuer to the extent permitted under the terms of the Czech Insolvency Act. All the Issuer's actions contradicting these limitations are ineffective *vis-à-vis* its creditors, unless taken with the prior consent of the insolvency court. These restrictions do not apply, in particular, to the Issuer's actions necessary for (i) the performance of the obligations stipulated by special regulation; (ii) operating its business within the ordinary course of business; (iii) diversion of imminent damage; (iv) the performance of procedural sanctions; and (v) the performance of receivables against the General Insolvency Estate (in Czech, *pohledávky za majetkovou podstatou*) and receivables set at the same level as receivables against the General Insolvency Estate (in Czech, *pohledávky postavené na roveň pohledávkám za majetkovou podstatou*).

If the insolvency court finds it necessary for the protection of the General Insolvency Estate, it may, at its discretion, for the period from the Commencement of Insolvency Proceedings until the Declaration of Bankruptcy, issue a preliminary injunction prohibiting the Issuer from making dispositions with the assets in the General Insolvency Estate or by making such dispositions subject to the approval of the preliminary insolvency administrator's (in Czech, *předběžný správce*), who is appointed by the insolvency court (the **Preliminary Injunction**). The insolvency court may further order the Issuer's debtors to perform their obligations to the preliminary insolvency administrator rather than to the Issuer.

For a Czech Bank as the Issuer there is only one available method of resolving insolvency, which is bankruptcy (in Czech, *konkurs*). The insolvency court would always decide simultaneously on the Declaration of Insolvency to confirm the state of affairs (i.e. that the Issuer is insolvent) and on the Declaration of Bankruptcy to decide on the method to resolve the insolvency. The outcome of bankruptcy would be that all the Issuer's assets would be liquidated and the Issuer wound up. As of the moment of the Declaration of Bankruptcy, among other things, the Issuer's right to dispositions with the General Insolvency Estate is transferred to the court appointed insolvency administrator (in Czech, *insolvenční správce*) (the **Insolvency Administrator**) and any subsequent legal acts of the Issuer are ineffective *vis-à-vis* its creditors. As of the publication of the Declaration of Bankruptcy, the liquidation of the Issuer would be interrupted and any preliminary injunctions (including Preliminary Injunctions) issued so far (unless the insolvency court decides otherwise) cease to apply.

If the insolvency proceedings are initiated in respect of the Issuer, the proceedings are limited to the General Insolvency Estate. The Commencement of Insolvency Proceedings does not cause the obligations and debts in respect of the Covered Block to become due and payable.

The Covered Blocks in the Issuer's insolvency and in certain other cases

Section 375(3) of the Czech Insolvency Act provides that neither the Commencement of Insolvency Proceedings nor the Declaration of Insolvency and the Declaration of Bankruptcy shall affect the Issuer's Covered Blocks in any way. Further, the Czech Insolvency Act explicitly provides that the Cover Pool created in accordance with the provisions of the Czech Bonds Act is not a part of the Issuer's General Insolvency Estate. Therefore, all of the assets in the Cover Pool remain ring-fenced and thus segregated from any other assets of the Issuer which fall within the Issuer's General Insolvency Estate. If an asset is removed from the Cover Assets Register, it is no longer protected and becomes a part of the Issuer's insolvency estate.

Section 32a of the Czech Bonds Act provides that, without undue delay after (i) the CNB has filed an insolvency petition seeking the Declaration of Insolvency of the Issuer, (ii) the Commencement of the Insolvency Proceedings, (iii) the Issuer has entered into liquidation, (iv) the CNB has revoked the Issuer's banking licence or (v) the Issuer is, for reasons directly related to its financial situation, unable to discharge its debts and there is no prospect that it will be able to do so, the CNB appoints an involuntary covered block administrator (in Czech, *nucený správce krytých bloků*) (the **Covered Block Administrator**).

Upon its appointment, the Covered Block Administrator manages all the Covered Blocks of the Issuer. The administration of the Covered Blocks by the Covered Block Administrator ends after (i) Transfer of the Covered Block (as defined below) or (ii) the Cover Pool Liquidation (as defined below) has been completed. In order to ensure the proper management of the Covered Block, only (i) another Czech bank or (ii) a bank having its seat in another EU or EEA member state that issues securities comparable to Czech covered bonds or manages assets that are comparable to the Cover Assets (the **Eligible Entity**) may be appointed as the Covered Block Administrator by the CNB. The Czech Bonds Act also ensures that no conflict of interests will occur in respect of managing these separate parts of the estate of the Issuer. The Insolvency Administrator, an interim administrator, a liquidator or any other person who could potentially act in the conflict of interests with the interests of the Czech Mortgage Covered Bondholders may not be the same person as the Covered Block Administrator.

The Covered Block Administrator is charged with management of the Covered Blocks and is obliged to act with professional care while always respecting and promoting the best interests of the Czech Mortgage Covered Bondholders. Any legal act that relates to an asset registered in Cover Asset Register which is not a discharge of a debt and which has been made by a person other than the Covered Block Administrator without his consent has no legal effect. The Covered Block Administrator may enter into an arrangement either for the benefit or to the detriment of the Covered Block only in order to improve liquidity or hedge against risk.

Where, after the Commencement of Insolvency Proceedings, the aggregate value of the Cover Assets in the Cover Pool is lower than the total nominal value of the debts for whose cover the Cover Pool serves (the **Over-indebted Covered Block**), the Covered Block Administrator shall quantify the claims of the Czech Mortgage Covered Bondholders to the extent in which they are not covered by the Cover Pool and, without undue delay, shall send the quantification to the insolvency court within the period stipulated by the law. Upon delivery of the quantification to the insolvency court, the respective claims contained therein are deemed to be registered. This means that generally, the Czech Mortgage Covered Bondholders would not, in case of Over-indebted Covered Block, register their claims arising from the Czech Mortgage Covered Bonds with the insolvency court as these would be registered by the Covered Block Administrator himself. Therefore, the Czech Mortgage Covered Bondholders would generally register their claims by themselves only when the Covered Block Administrator fails to perform its duty to send the quantification to the insolvency court or in order to follow precautionary principle. The portion of the claims registered with the insolvency court mentioned above would rank *pari passu* with all the unsecured and unsubordinated obligations of the Issuer and be satisfied on *a pro rata* basis with all other general creditors' claims (i.e. the portions of the claims concerned will be satisfied from the General Insolvency Estate).

Also, the Czech Bonds Act contains express provisions regarding the segregation of the cash flows from the assets in the Cover Pool, following the Commencement of Insolvency Proceedings, Declaration of Insolvency, Declaration of Bankruptcy or other situations when the Covered Block Administrator must be appointed by the CNB, as provided for in the Czech Bonds Act. The Covered Block Administrator is

upon its appointment obliged to open a separate account for the purpose of collecting payments representing repayments of the debts from the Cover Assets included in the Cover Pool and, alternatively, the debts relating to the Cover Assets included in the Cover Pool. But, on the other hand, the cash flows received from the Cover Assets included in the Cover Pool before the Covered Block Administrator has been appointed will not become part of the Cover Pool.

The insolvency estate is administered by the Insolvency Administrator. The Insolvency Administrator must co-operate with the Covered Block Administrator to ensure the proper management of the Covered Block. The Czech Mortgage Covered Bondholders may not give any instructions to the Insolvency Administrator and the Insolvency Administrator must uphold the common interest of all of the Issuer's creditors.

After the satisfaction of all of the creditors' claims, any part of the Cover Pool remaining will be used to satisfy all the other general creditors' claims in accordance with the court-approved distribution schedule.

If the case of the Over-indebted Covered Block, the Covered Block Administrator may decide on a proportional (*pari passu*) decrease of all debts from the Czech Mortgage Covered Bonds for whose cover the Cover Pool serves, resulting in a permanent reduction of the nominal values of all such debts (the **Pari Passu Haircut**) including the nominal value of the Czech Mortgage Covered Bonds. After the debts have been reduced, the Covered Block Administrator may further decide on realisation of assets in the Cover Pool and consequently proceed with early repayment of the Czech Mortgage Covered Bonds (the **Cover Pool Liquidation**) or may decide that it will continue to manage the Covered Block. Both the Pari Passu Haircut and the Cover Pool Liquidation require the prior consent of the CNB, which the CNB shall grant if it determines that it is in the interest of the Czech Mortgage Covered Bondholders, for its validity. No further approval, notification or consent is required for the Pari Passu Haircut or the Cover Pool Liquidation to be effective. If the meeting of the Czech Mortgage Covered Bondholders adopts a decision on either the Pari Passu Haircut or the Cover Pool Liquidation, the Covered Block Administrator is bound by such a decision and is obliged to make a request for the consent of the CNB to proceed with the Pari Passu Haircut or the Cover Pool Liquidation.

If the proceeds from the Cover Pool Liquidation are not sufficient to satisfy the claims of the Czech Mortgage Covered Bondholders in full, the unsatisfied portion of those claims will rank pari passu with all the unsecured and unsubordinated obligations of the Issuer and will be satisfied on a pro rata basis with all other general creditors' claims as already stated above.

Upon its appointment, the Covered Block Administrator may further transfer the whole Covered Block and its management to another Eligible Entity (the **Transfer of the Covered Block**). The Covered Block Administrator may not transfer the Covered Block to itself. Apart from the consent of the CNB, which the CNB shall grant (if it determines that the Transfer of the Covered Block is in the interests of the Czech Mortgage Covered Bondholders), no further approval, notification or consent with the Transfer of the Covered Block is required for its validity. A transfer of the Covered Block made without such consent shall have no legal effects. The Czech Bonds Act further stipulates that if the Czech Mortgage Covered Bondholders meeting adopts a decision on Transfer of the Covered Block, the Covered Block Administrator is bound by such decision and is obliged to make a request for the consent of the CNB to proceed with such Transfer of the Covered Block. Also, the Czech Mortgage Covered Bondholders' meeting may decide on refusing the Transfer of the Covered Block and, again, the Covered Block Administrator would be bound by such decision.

The Transfer of the Covered Block has to be always done in relation to the Covered Block as a whole (i.e. assets and liabilities) and as a result it is not possible to transfer just the Cover Pool itself (i.e. only the assets). In case of the Over-indebted Covered Block, the Transfer of the Covered Block may be made only after the Pari Passu Haircut is made.

10. RELEVANT PROVISIONS OF SLOVAK LAW AFFECTING THE COVER POOL

Slovak law is not directly relevant for the purposes of composition of the Cover Pool and entitlements in respect of the Cover Pool except as set out below.

The Slovak loans secured by way of mortgage include both Slovak Regulated Mortgage Loans regulated by Section 68 *et seq* of the Slovak Banking Act effective until 31 December 2017 and other Slovak loans which are secured by residential or commercial property located in the Slovak Republic and which do not meet the requirements of Section 68 et seq of the Slovak Banking Act effective until 31 December 2017 (**Other Slovak Mortgage Loans** and together with Slovak Regulated Mortgage Loans "**Slovak Mortgage Loans**"". For a Slovak Mortgage Loan to become eligible to be included in the Cover Pool it

must comply with the applicable statutory tests (as set out in sections General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – The Cover Pool – Composition of Assets below and The Cover Pool below).

Pursuant to Slovak regulation effective until 31 December 2017, the Issuer had to finance at least 90 per cent of its Slovak Regulated Mortgage Loans through issuing the Slovak Mortgage Covered Bonds. In other words, there was a statutory requirement to maintain a certain ratio between the value of the Slovak Mortgage Covered Bonds and value of Slovak Regulated Mortgage Loans. In turn, the issued Slovak Mortgage Covered Bonds had to be covered by eligible receivables from Slovak Regulated Mortgage Loans, and this requirement continues to apply in respect of the still outstanding Slovak Mortgage Covered Bonds. The interaction of Czech law governing the Cover Pool and Slovak law governing the Slovak cover pool for the Slovak Mortgage Covered Bonds is not clear. However a likely outcome in practice is that the Mortgage Covered Bondholders would be able to benefit from all Cover Assets, including receivables from the Slovak Regulated Mortgage Loans, included in the Cover Pool pari-passu with the holders of the Slovak Mortgage Covered Bonds of the Issuer, but it cannot be ruled out that a court assesses the matter differently and decides that the Mortgage Covered Bondholders would only be able to benefit from those receivables included in the Cover Pool which are not used for covering the Slovak Mortgage Bonds of the Issuer (for details see section Risk Factors – Receivables from mortgage loans governed by Slovak law included in the Issuer's Cover Pool are primarily designated under Slovak law to cover the receivables under Slovak Mortgage Covered Bonds and interaction of Czech law governing the Cover Pool and Slovak law governing the Slovak cover pool is not clear).

No such rule applies to the Other Slovak Mortgage Loans. Accordingly, there is no Slovak cover pool in respect of receivables from the Other Slovak Mortgage Loans, which are included in the Cover Pool in full if the otherwise applicable Statutory Eligibility Criteria and the Contractual Eligibility Criteria for the Eligible Assets are also met.

As of 1 January 2018, a substantially new Slovak regulation of Slovak Regulated Mortgage Loans and Mortgage Covered Bonds came into effect. In particular, the Slovak Regulated Mortgage Loans no longer have to be partly financed via issue of Slovak Mortgage Covered Bonds and the Issuer even ceased to be able to issue new Slovak Mortgage Covered Bonds through its Slovak branch. The Slovak Mortgage Covered Bonds and Slovak Regulated Mortgage Loans already in place are governed by legal regulations applicable as at 31 December 2017, as described above, until they are fully paid-up.

Once all Slovak Mortgage Covered Bonds and Slovak Regulated Mortgage Loans are fully paid up, the regulation described here will become largely irrelevant. Consequently, the Slovak law issues will continue to be relevant in respect of the Issuer's legacy portfolios of the Slovak Mortgage Covered Bonds and Slovak Regulated Mortgage Loans, but the Issuer will not issue any new Slovak Mortgage Covered Bonds after 1 January 2018. Similarly, although the Issuer will be able to provide Slovak Regulated Mortgage Loans and/or Other Slovak Mortgage Loans after 1 January 2018, these loans will not be subject to the restrictions described above.

ENFORCEMENT OF JUDGMENTS IN THE CZECH REPUBLIC AND SLOVAKIA AND FOREIGN EXCHANGE REGULATION IN THE CZECH REPUBLIC

The Terms and Conditions provide, *inter alia*, that the courts of Germany shall have jurisdiction to settle any disputes, which may arise out of or in connection with the Mortgage Covered Bonds. As the principal assets of the Issuer are located in the Czech Republic and in Slovakia, any judgements rendered in disputes connected with the Mortgage Covered Bonds will likely be enforced in these two jurisdictions.

The recognition and enforcement of foreign judgments of civil courts in the Czech Republic and Slovakia is governed by EU law, public international treaties and domestic legislation. In relations among the EU Member States, Regulation (EU) 1215/2012, which recast Regulation (EC) 44/2001 (the **Brussels I Recast**), is the governing law on the recognition and enforcement of foreign judgments in the Czech Republic and Slovakia. Based on this regulation, court rulings issued by any court authority in the EU member states, including Germany, with regard to civil and commercial matters are enforceable in the Czech Republic and Slovakia, subject to the rules of the Brussels I Recast and, *vice versa*, court rulings issued by court authorities in the Czech Republic and Slovakia with regard to civil and commercial matters are reciprocally enforceable in the EU member states, including Germany.

According to the EC Regulation No. 593/2008 of 17 June 2008 on the law applicable to contractual obligations, parties to a contract may, subject to the terms set out therein, select the law which will govern their contractual relations in civil and commercial matters and Czech and Slovak courts will give effect to such choice of law. Unless parties to the dispute agreed otherwise, or unless courts of a different member state have an exclusive jurisdiction, foreign entities are able to bring civil proceedings before Czech or Slovak courts against individuals and legal entities domiciled therein. In court proceedings, Czech and Slovak courts apply their respective national procedural rules and their judgments are enforceable in their respective jurisdictions, subject to certain statutory limitations on the ability of creditors to enforce judgments against certain assets.

Any person bringing an action in the Czech Republic or Slovakia may be required to: (i) submit to the court a translation in the Czech or Slovak language (apostilled if applicable pursuant to respective international treaties) of any relevant document prepared by a sworn translator authorised by such court; and (ii) pay a court filing fee.

In the event that court judgments against the Issuer are issued by court bodies of non-EU member states, the following rules shall apply:

In cases where the Czech Republic or Slovakia concluded a treaty with a specific country on the recognition and enforcement of court rulings, the enforcement of court rulings issued in such country is ensured in accordance with the provisions of the applicable international treaty. If no such treaty exists, then the rulings of foreign courts shall be recognized and enforced in the Czech Republic in accordance with the Czech Private International Law Act and other relevant legislation. In the event of a foreign ruling against a Czech individual or legal entity, such a foreign ruling shall be recognized and enforced if, among other things, actual reciprocity has been established regarding the recognition and enforcement of judgments rendered by Czech courts in the relevant country.

The Czech Ministry of Justice may, upon a request of a Czech court, provide the court with declaration that reciprocity has been established with respect to a particular foreign country. If such declaration of reciprocity has not been issued with regard to a particular country, however, this does not automatically mean that reciprocity cannot be established in a given case. In such cases, the recognition of reciprocity would be assessed as part of the proceedings by the Czech court based on the actual situation in a given country with regard to the recognition of judgments of Czech authorities.

On the other hand, even if reciprocity has been established and declared by the Ministry of Justice with respect to judgments issued by judicial bodies of a particular foreign country, such judgments may not be recognized and enforced under applicable provisions of Czech law if, for example: (i) the matter falls within the exclusive jurisdiction of the courts of the Czech Republic, or in the event that the proceedings on recognition and enforcement could not have been conducted by any authority of a foreign state, should the provisions on the jurisdiction of Czech courts be applied for considering the jurisdiction of the foreign authority (unless the party against whom the decision was issued voluntarily submitted to the authority of the foreign body); (ii) a Czech court has issued or recognized a final judgment in the same matter, or proceedings regarding the same matter are pending before a Czech court; (iii) the foreign authority deprived the party to the proceedings against whom the judgment was made of the opportunity to properly participate in the proceedings (i.e., in particular, if such party

had not been duly served for the purposes of the initiation of the proceedings); or (iv) the recognition of a foreign judgment would be contrary to the public order in the Czech Republic.

If there is no relevant international treaty, a judgment of a court of law of a non-EU member state, which is not impeachable as void or voidable under the internal laws of the foreign jurisdiction would be recognised in the Slovak Republic provided that relevant conditions in respect of recognition and enforcement of foreign judgments set out in the Slovak Act No. 97/1963 Coll. on Private and Procedural International Law (the **Slovak Private International Law Act**) are met, including without limitation the following: (i) the non-EU judgment is final and enforceable according to the law of the state where it was issued; (ii) the matter is not within the exclusive jurisdiction of Slovakia; (iii) the non-EU judgment is a decision on the merits of the case; (iv) a party to the dispute against whom an enforcement is sought was not denied access to the foreign court, mainly it must have been served with a statement of claim or summons for the hearing; (v) the non-EU judgment is not irreconcilable with a prior Slovak judgment or an earlier foreign judgment which may be recognised in Slovakia; (vi) the non-EU Judgement is not against the public policy (in French, *ordre public*) of Slovakia; and (vii) the application for recognition before Slovak courts is duly made according to the Slovak Private International Law Act procedural rules and encloses all the documentation thereby required. Under Slovak private international law there is no reciprocity principle applied in relation to civil and commercial foreign judgments.

The Government of the Czech Republic may, under the Constitutional Act. No. 110/1998 Coll., on Security of the Czech Republic, as amended, declare an emergency. If such an emergency is declared, payments in foreign currency or abroad generally, interbank transfers of monies from abroad to the Czech Republic and/or sale of securities (including the Mortgage Covered Bonds) abroad may be suspended for the duration of such emergency. Such an emergency may be declared for a maximum period of 30 days unless prolonged by the approval of the Chamber of Deputies of the Parliament of the Czech Republic.

THE COVER POOL

Composition of Assets

Statutory Eligibility Criteria for Eligible Assets (the Statutory Eligibility Criteria)

The Czech Bonds Act and the CNB Decree prescribe that a Cover Pool created by the Issuer may only consist of the Cover Assets and the Accessory Assets (for details see section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – The Cover Pool – Composition of Assets).

The Statutory 85 % Test has to be complied on an on-going basis. Only the Mortgage Loans may be used to meet the Statutory 85 % Test. In relation to the Czech Bonds Act Mortgage Loans, the Statutory 100 % Individual LTV Test will apply, whereas for the CRR Mortgage Loans, specific collateral value tests, as set out in the CRR, will apply (for details see section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – The Cover Pool – Composition of Assets above).

With the creation of one or more Cover Pools, the Issuer also creates a Covered Block. The Covered Block is constituted of the Cover Pool and the debts that it covers.

The Cover Pool includes the Slovak Regulated Mortgage Loans and Other Slovak Mortgage Loans and, the interaction of Czech law governing the Cover Pool and Slovak law governing the Slovak cover pool for the Slovak Mortgage Covered Bonds is not clear. A likely outcome in practice is that the Mortgage Covered Bondholders would be able to benefit from all Cover Assets, including receivables from the Slovak Regulated Mortgage Loans, included in the Cover Pool *pari-passu* with the holders of the Slovak Mortgage Covered Bonds of the Issuer, but it cannot be ruled out that a court assesses the matter differently and decides that the Mortgage Covered Bondholders would only be able to benefit from those receivables included in the Cover Pool which are not used for covering the Slovak Mortgage Bonds of the Issuer (for details see section Risk Factors – Receivables from mortgage loans governed by Slovak law included in the Issuer's Cover Pool are primarily designated under Slovak law to cover the receivables under Slovak Mortgage Covered Bonds and interaction of Czech law governing the Cover Pool and Slovak law governing the Slovak cover pool is not clear).

Pursuant to an amendment to the Slovak Banking Act adopted by the Slovak National Council, which applies as of 1 January 2018, a substantially new regulation of Slovak loans secured by way of mortgage came into effect. See section Banking Regulation – Slovak Banking Regulation – Slovak Regulation of Covered Bonds for more details.

Contractual Eligibility Criteria for Eligible Assets

In addition to the Statutory Eligibility Criteria, pursuant to the Terms and Conditions, the Issuer covenants to apply contractual eligibility criteria to the Cover Pool (the **Contractual Eligibility Criteria**) and to ensure that the Contractual Eligibility Criteria are met by the Cover Pool.

The **Contractual Eligibility Criteria** are that:

(a) The Mortgage Loans are governed by Czech or Slovak law;

(b) The Mortgaged Property is a real property, as evidenced by an extract from the Czech real estate register (in Czech, *katastr nemovitostí*) (the **Czech Real Estate Register**) or the respective land registry in the relevant jurisdiction;

(c) The Mortgage Loans have been granted to one or more individuals or one or more legal entities;

(d) The Mortgage Loans are performing and there are no payments in respect of such loans that are due and unpaid for more than 90 days;

(e) The Mortgage Loan amount included in the Cover Pool is capped at a maximum LTV ratio of 100 per cent.;

(f) The Issuer's Cover Pool does not contain any asset-backed securities; and

(g) The Mortgage Loans are not collateralised by agricultural land (where such agricultural land is subject to a separate mortgage and does not form a functional part of other mortgaged property) or other land not designated for construction purposes.

As of 31 December 2020, 29.2 per cent. of the Mortgage Loans (including among others both Slovak Regulated Mortgage Loans and Other Slovak Mortgage Loans) were governed by Slovak Law, with the remainder being governed by Czech Law.

Valuation of Assets

Statutory Tests

Pursuant to the Terms and Conditions, the Issuer is required to maintain the Cover Pool in accordance with the following requirements for the Cover Assets.

The Issuer covenants to ensure that it maintains the Cover Pool in compliance with the Statutory Minimum OC Level Test, the Statutory 85 % Test and the Statutory 100 % Individual LTV Test (the **Statutory Tests**).

The Statutory Minimum OC Level Test

The Czech Bonds Act stipulates that the aggregate value of all the Cover Assets included in the Cover Pool must represent at least 102 % of the aggregate value of all debts covered with the respective Cover Pool, i.e. resulting in a minimum 2 % statutory over-collateralisation requirement (i.e. Statutory Minimum OC Level Test). As of the date of this Base Prospectus, the Issuer has created only one Cover Pool that covers debts from all the issued and outstanding Czech Mortgage Covered Bonds (including the Czech Mortgage Covered Bonds under this Programme, the Local Bond Programme and, if applicable, by way of the Issuer's standalone issues) (see section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – The Cover Pool – Composition of Assets above).

The Statutory 85 % Test

The Issuer covenants to ensure that the Mortgage Loans Ratio is an amount equal to at least 85 per cent. of the outstanding Nominal Value of the Czech Mortgage Covered Bonds (i.e. the Statutory 85 % Test).

For the purposes of the Statutory 85 % Test and the Statutory Minimum OC Level Test, the **Mortgage Loans Ratio** is the sum of the outstanding Nominal Values of all the Mortgage Loans used as Cover Assets, where the Nominal Value is deemed to be zero, for (i) each Mortgage Loan (including CRR Mortgage Loan) if such Mortgage Loan is a Defaulted Loan, (ii) each Mortgage Loan if such Mortgage Loan does not fulfil requirements set out in Section 30(1) of the Czech Bonds Act, (iii) each Mortgage Loan in the case of an obligor's default pursuant to Article 178 of the CRR and (iv) each CRR Mortgage Loan if such CRR Mortgage Loan do not fulfil the applicable CRR requirements. A part of the Mortgage Loan which exceeds 100 % of the Mortgaged Property Value (as defined below) disregarded to such extent.

Contractual Asset Cover Test

In addition to the Statutory Tests, the Issuer covenants to ensure that the Contractual Adjusted Aggregate Cover Pool Balance is an amount at least equal to 110 per cent. of the outstanding Nominal Value of the Czech Mortgage Covered Bonds (the **Contractual Asset Cover Test**).

For the purposes of the Contractual Asset Cover Test, the **Contractual Adjusted Aggregate Cover Pool Balance** is the sum of the outstanding Adjusted Values of all Cover Assets, where the Adjusted Value is deemed to be zero for, (i) each Mortgage Loan if such Mortgage Loan is a Defaulted Loan, (ii) each Mortgage Loan if such Mortgage Loan does not fulfil requirements set out in Section 30(1) of the Czech Bonds Act, (iii) each CRR Mortgage Loan if such CRR Mortgage Loan do not fulfil the applicable CRR requirements, and (iv) each Mortgage Loan in the case of an obligor's default pursuant to Article 178 of the CRR.

Where any Cover Asset is not denominated in Czech Koruna such balance shall be converted to its equivalent in Czech Koruna at the Relevant Exchange Rate.

The Issuer covenants that it will provide from time to time to Moody's (or another rating agency which has rated the Mortgage Covered Bonds) and the Asset Monitor information on the current value of the Contractual Adjusted Aggregate Cover Pool Balance and will confirm compliance by the Issuer with the Contractual Asset Cover Test. For the avoidance of doubt, a breach of the Contractual Asset Cover Test will not result in an Event of Default. However, whilst such breach is continuing the Issuer cannot issue any Czech Mortgage Covered Bonds which have the benefit of the Issuer's Cover Pool.

Adjusted Value means, for:

(a) each Mortgage Loan, the lower of (i) the outstanding Nominal Value of such Mortgage Loan and (ii) the Mortgaged Property Value related to such Mortgage Loan;

(b) each PSB's Receivables and Exposures its outstanding Nominal Value;

(c) the Cash its outstanding Nominal Value; and

(d) each Derivative its real value.

Defaulted Loan means any Mortgage Loan included in the Cover Pool which is more than 90 days in arrears.

Mortgaged Property Value means the total value of all the Mortgaged Property as determined by the Issuer in accordance with applicable laws (including Section 29 of the Czech Bonds Act and the Property Valuation Act) and the Issuer's internal rules for valuation of the Mortgaged Property. The Issuer must determine the Mortgaged Property Value using the open market value (in Czech, *cena obvyklá*) and with special regard to: (a) characteristics of the Mortgaged Property which are sustainable on a permanent or a long-term basis; (b) income achievable by a third party managing the Mortgaged Property with due care; (c) rights and encumbrances attached to the Mortgaged Property; and (d) conditions prevailing on the local real property market and anticipated development of that market. The Mortgaged Property Value cannot be higher than the open market value (in Czech, *cena obvyklá*) of the Mortgaged Property. The Mortgaged Property Value shall be calculated in relation to any amount which is denominated in (i) a currency other than Czech Koruna, the Czech Koruna equivalent of such amount ascertained using the Relevant Exchange Rate relating to such amounts as at the relevant date and (ii) Czech Koruna, the applicable amount in Czech Koruna.

Nominal Value means the sum of the outstanding principal balances and any accrued and unpaid interest relating to the Czech Mortgage Covered Bonds, Mortgage Loans or any other debt or security as the case may be, calculated in relation to any amount which is denominated in (i) a currency other than Czech Koruna, by applying the Relevant Exchange Rate relating to such amounts and (ii) Czech Koruna, the applicable amount in Czech Koruna.

Relevant Exchange Rate means the equivalent in Czech Koruna determined by the Issuer (i) at the rate available from the Czech National Bank or any successor source for the conversion of the relevant currency or currencies into Czech Koruna on the Business Day before the relevant determination or, (ii) if no such direct exchange rate of the relevant currency or currencies to the Czech Koruna is available, the Issuer will use for conversions into Czech Koruna the exchange rate of the relevant currency or currencies (as available from the relevant central bank) to the U.S. dollar or the EUR and subsequently converting such amount in U.S. dollars or EUR pursuant to the valid U.S. dollar or EUR exchange rate to the Czech Koruna (as available from the Czech National Bank) on the Business Day before the relevant determination.

Asset Monitor Agreement

Under the terms of the Asset Monitor Agreement entered into on 4 June 2020 between the Issuer, and the Asset Monitor as amended by the amendment no. 1 dated 24 March 2021 and the amendment no. 2 dated 24 June 2021 (such Asset Monitor Agreement as amended and/or supplemented and/or restated from time to time, the **Asset Monitor Agreement**), the Asset Monitor has agreed, subject to due receipt of information to be provided by the Issuer to the Asset Monitor, to carry certain procedures in relation to the Statutory Eligibility Criteria, the Contractual Eligibility Criteria, the Statutory Tests, the Contractual Asset Cover Test and any other requirement imposed by Czech law or the agreements in respect of the Cover Pool on each relevant Asset Monitor Calculation Date (as defined in the Asset Monitor Agreement). The Asset Monitor is only required to perform its role from 30 June 2020.

If the Statutory Eligibility Criteria and/or the Contractual Eligibility Criteria have been breached or the Statutory Tests and/or Contractual Asset Cover Test had been failed on the relevant Asset Monitor Calculation Date or the reported Aggregate Cover Pool Balance or the reported Contractual Adjusted Aggregate Cover Pool Balance, as applicable, was misstated by the Issuer by an amount exceeding one per cent. of the Aggregate Cover Pool Balance or the Contractual Adjusted Aggregate Cover Pool Balance, as applicable (as at the date of the relevant Statutory Tests or the Contractual Asset Cover Test), the Asset Monitor shall conduct the agreed procedures on a monthly basis for a six-month period subject to the receipt of the relevant information from the Issuer.

Within ten Business Days (as defined in the Asset Monitor Agreement) of receiving the relevant information from the Issuer, the Asset Monitor shall notify the parties to the Asset Monitor Agreement of their findings in a report following a specified form (the **Asset Monitor Report**).

The Asset Monitor is entitled to assume that all information provided to it by the Issuer for the purpose of reporting on the arithmetic or other accuracy basis is true and correct and is complete and not misleading and is not required to conduct an audit or other similar examination in respect of or otherwise take steps to verify the accuracy or completeness of such information save that the Asset Monitor will be required to advise the Issuer if it has not been provided with any of those figures which it is required to provide. However, if information required to be provided by the Issuer contains what appear to be manifest errors, the Asset Monitor shall notify the parties to the Asset Monitor Agreement and the Issuer shall provide further amended information to the Asset Monitor or shall confirm the accuracy of information previously provided. The Asset Monitor shall not be required to confirm whether the information provided to it by the Issuer (i) has been accurately extracted from the sources identified therein or agrees with any underlying accounting or other information or (ii) is presented in compliance with any relevant accounting or other definitions as to its elements and composition.

The Asset Monitor Report will be delivered to the Issuer and subject to the terms and conditions of the Asset Monitor Agreement also to the Arranger, the Dealers, the Rating Agency and the Mortgage Covered Bondholders.

The Issuer will pay to the Asset Monitor a fee determined in accordance with a fee letter entered into between the Issuer and the Asset Monitor. The liability of the Asset Monitor will be limited to five times the fees paid under the Asset Monitor Agreement and the relevant fee letter by the Issuer to the Asset Monitor in accordance with the Asset Monitor Agreement during any twelve months preceding an event that resulted in the Asset Monitor's liability specified therein. If such event occurs during the first 12 months of the effectiveness of the Asset Monitor Agreement, the liability of the Asset Monitor shall be limited by five times fees paid under the Asset Monitor Agreement and the relevant fee letter since the date of the Asset Monitor Agreement.

The Issuer may, at any time, terminate the appointment of the Asset Monitor by giving the Asset Monitor 60 days' written notice, **provided that** such termination may not be effected unless and until a replacement has been found by the Issuer which agrees to perform the duties (or substantially similar duties) of the Asset Monitor.

The Asset Monitor may, at any time, resign from its appointment by giving the Issuer 60 days' prior written notice (the Issuer shall provide a copy of such notice to the Rating Agency), **provided that** such termination may not be effected unless and until a replacement has been found for the Asset Monitor by the Issuer of the Asset Monitor. In addition, the Asset Monitor may resign from its appointment upon giving 30 days' prior written notice if any action taken by the recipients of the Asset Monitor Report (**Recipients**) or future circumstance not caused by the Asset Monitor causes a professional conflict of interest for the Asset Monitor under the rules of the professional and/or regulatory bodies regulating the activities of the Asset Monitor. The Asset Monitor will inform the Recipients as soon as reasonably practicable of any action or circumstance of which the Asset Monitor is aware that may cause a professional conflict of interest for the Asset Monitor which could result in termination under the relevant clause.

The Asset Monitor Agreement is governed by Czech law.

Description of the Cover Pool

Composition of the Cover Pool

In case of the Issuer's insolvency, the assets in the Cover Pool will primarily serve for the satisfaction of all Czech Mortgage Covered Bondholders' claims (see section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds – 9 Insolvency of the Issuer and the Cover Pool above). In order to be included in the Cover Pool, Mortgage Loans have to meet certain statutory and contractual eligibility criteria (see

section The Cover Pool– Composition of Assets and section The Cover Pool– Valuation of Assets above for further details). The composition of assets in the Cover Pool changes in time, as Mortgage Loans which are repaid or cease to meet the eligibility criteria are removed from the Cover Pool and new Mortgage Loans that meet the eligibility criteria are added.

The Cover Pool consists of four types of Mortgage Loans:

(a) Mortgage Loans which are retail residential loans secured by property located in the Czech Republic (the **Czech Retail Residential Loans**);

(b) Mortgage Loans which are commercial loans secured by property located in the Czech Republic (the **Czech Commercial Loans**);

(c) (A) Slovak Regulated Mortgage Loans which meet the requirements of Section 68 *et seq.* of the Slovak Banking Act, as effective until 31 December 2017 (in Slovak, *hypotekárny úver*) and (B) Other Slovak Mortgage Loans which are secured by residential property located in the Slovak Republic, whereas both types of such Mortgage Loans must also fall within the definition of Eligible Assets in accordance with the Czech Bonds Act (the **Slovak Residential Loans**); and

(d) Other Slovak Mortgage Loans, which are secured by commercial property located in the Slovak Republic, whereas such Other Slovak Mortgage Loans must also fall within the definition of Eligible Assets in accordance with the Czech Bonds Act (the **Slovak Commercial Loans**);

In order to assess compliance with the Slovak Banking Act, the Issuer maintains a separate register of the Slovak Regulated Mortgage Loans. Since the Issuer has obtained a consent from the NBS to apply a lower threshold of 70 per cent., at least 70 per cent. of the value of the Slovak Regulated Mortgage Loans originated until 31 December 2017 (including) had to be financed from proceeds of sale of the Slovak Mortgage Covered Bonds. The interaction of Czech law governing the Cover Pool and Slovak law governing the Slovak cover pool for the Slovak Mortgage Covered Bonds is not clear. However, a likely outcome in practice is that the Mortgage Covered Bondholders would be able to benefit from all Cover Assets, including receivables from the Slovak Regulated Mortgage Loans, included in the Cover Pool *pari-passu* with the holders of the Slovak Mortgage Covered Bonds of the Issuer, but it cannot be ruled out that a court assesses the matter differently and decides that the Mortgage Covered Bondholders would only be able to benefit from those receivables included in the Cover Pool which are not used for covering the Slovak Mortgage Bonds of the Issuer.

As of 31 December 2020, the total value of the Cover Pool was CZK 130,967 million, out of which (i) 37.2 per cent. (or CZK 48,679 million) consisted of Czech Retail Residential Loans; (ii) 28.6 per cent. (or CZK 37,440 million) consisted of the Slovak Residential Loans; and (iii) 34.2 per cent. (or CZK 44,848 million) consisted of the Czech Commercial Loans.

The following table provides information on the composition of the Cover Pool as of 31 December 2020:

	Czech Retail Residential Loans	Slovak Residential Loans	Czech and Slovak Commercial Loans
Total loan balance (in CZK millions)	48,679	37,440	44,848
Average loan balance (in CZK)	1,349,915.92	1,196,793.07	34,156,617.27
Total number of loans	36,061	31,284	1,313
Total number of debtors	32,595	26,375	1,068
Total number of properties	38,315	32,709	1,100
Weighted average seasoning (in years)	5	4	6.2
Contracted weighted average remaining term (in years)	19.9	21.7	4.5
Weighted average LTV (in per cent.)	65	72	69
Stake of fixed interest rate loans (in per cent.)	97	97	27
Stake of 10 biggest loans (in per cent.)	1	0	29
Stake of bullet loans (in per cent.)	0	0	10

As of 31 December 2020, the outstanding Czech Mortgage Covered Bonds were over-collateralised by 11.10 per cent. As of the same date, 4.0 per cent. of the assets included in the Cover Pool was denominated in Czech crowns and 96.0 per cent. was denominated in euro.

In order to be able to keep and maintain only one Cover Pool that would cover debts from all the issued and outstanding Czech Mortgage Covered Bonds as well as the Mortgage Covered Bonds to be newly issued under this Programme, the Issuer will coordinate the following steps to occur on the same date:

(a) opt-in of the outstanding Czech Mortgage Covered Bonds issued under the Issuer's Local Bond Programme under the new legal framework introduced by the amendment No. 307/2018 Coll. to the Czech Bonds Act;

(b) issuance of new Series of Mortgage Covered Bonds under this Programme that will be later (not on the same date with the other steps described here) provided to the derivative counterparties (see point (c) below); and

(c) acquisition of the outstanding Mortgage Covered Bonds issued under the English law as listed below in section *List of Issued and Outstanding Czech Mortgage Covered Bonds (other than the Mortgage Covered Bonds)* from the derivative counterparties that are currently holding these.

Issuer's Cover Pool in respect of the Czech Mortgage Covered Bonds

Management of the Cover Pool in respect of the Czech Mortgage Covered Bonds

In accordance with the Czech Bonds Act, the Issuer maintains the Cover Assets Register which contains a separate record of the Eligible Assets included in the Issuer's Cover Pool. The Eligible Assets included in the Cover Pool serve to provide cover in respect of the Czech Mortgage Covered Bonds and the obligations of the Issuer arising from the Czech Mortgage Covered Bonds (i.e., their aggregate nominal value and proportionate yield). For the purposes of managing the Cover Pool and to comply with the applicable statutory requirements set out in the Czech Bonds Act and the CNB Decree, the Issuer adopted an internal regulation which governs the work-streams, procedures and the competences of individual departments in this area.

The Issuer through its Real Estate Appraisal department continuously monitors and analyses the real estate market in the Czech Republic and development of real estate prices. The Issuer applies security coefficients when approving Mortgage Loans, which, according to the type of the Mortgaged Property, also take into account a possible drop in the Mortgaged Property Value over the long term. If, on the basis of a revaluation, the Mortgaged Property Value would decrease below the threshold needed for covering the respective Czech Mortgage Covered Bonds, the Issuer excludes such a Mortgage Loan from the Cover Pool.

In the context of management of the Cover Pool the Issuer has defined limits that can be altered only by its Asset-Liability Committee (the **ALCO**) based on analysis conducted by the department in charge of the administration of Czech Mortgage Covered Bonds. The ALCO Committee further decides about individual steps leading to an increase in the ratio of the Substitute Assets or alternatively to the repurchase of the relevant Czech Mortgage Covered Bonds.

List of Issued and Outstanding Czech Mortgage Covered Bonds (other than the Mortgage Covered Bonds)

The following table lists information concerning the outstanding Czech Mortgage Covered Bonds (other than the Mortgage Covered Bonds) issued by the Issuer. The data is valid as of 14 May 2021.

Name of the Czech Mortgage Covered Bond issue	ISIN	Currency	Sum of issue	Interest yield	Issuance date	Date of the maturity of the bonds	Rating (assigned by Moody's)
			(million)	*(% p.a.)*			
HZL HVB 5,00/25	CZ0002000680	CZK	10 000	5	23.11.2005	15.11.2025	-
UCB HZL 10Y FLOAT/37	CZ0002001910	CZK	12 000	floater	21.12.2007	21.12.2037	Aa2
UCB HZL 7,00/2024	CZ0002002983	CZK	5 000	7	21.12.2012	15.6.2024	-
UCB HZL 3,04/2028	CZ0002003114	EUR	30	3,04	7.6.2013	7.6.2028	Aa2
UCB HZL ZERO II./2021	CZ0002002843	CZK	5 000	zero	21.12.2012	15.6.2021	-
UCB SD HZL GLOBAL 10/2024	CZ0002006240	CZK	400	structured	26.8.2019	26.8.2024	-
UCB SD HZL EUR GLOBAL 10/2024	CZ0002006257	EUR	10	structured	26.8.2019	26.8.2024	-
UCB SDHZL HealthCare Invest 2024	CZ0002006562	EUR	6	structured	16.12.2019	16.12.2024	-
UCB SDHZL EUR CLEAN ENERGY INVEST 2025	CZ0002006810	EUR	5	structured	27.04.2020	28.04.2025	-

List of Issued and Outstanding Mortgage Covered Bonds issued under the English law

The following table lists information concerning the outstanding Mortgage Covered Bonds issued by the Issuer under English law. The data is valid as of 14 May 2021.

Name of the Mortgage Covered Bond issue	ISIN	Currency	Sum of issue	Interest yield	Issuance date	Date of the maturity of the bonds	Rating (assigned by Moody's)
			(million)	(% p.a.)			
UCB HZL 1,00/24	XS1892859577	EUR	500	1,00	16.10.2018	16.10.2024	Aa3

List of Issued and Outstanding Mortgage Covered Bonds issued under the German law

The following table lists information concerning the outstanding Mortgage Covered Bonds issued by the Issuer under German law. The data is valid as of 14 May 2021.

Name of the Mortgage Covered Bond issue	ISIN	Currency	Sum of issue	Interest yield	Issuance date	Date of the maturity of the bonds	Rating (assigned by Moody's)
			(million)	*(% p.a.)*			
UCB HZL 3M FLOAT /24	XS2188797729	EUR	1 000	floater	15.06.2020	15.06.2024	Aa3
UCB HZL 3M FLOAT /25	XS2188802230	EUR	1 000	floater	15.06.2020	15.06.2025	Aa3
UCB HZL 3M FLOAT /26	XS2188802313	EUR	1 000	floater	15.06.2020	15.06.2026	Aa3
UCB HZL 3M FLOAT /27	XS2188802404	EUR	1 000	floater	15.06.2020	15.06.2027	Aa3
UCB HZL 0,01/25	XS2259866064	EUR	500	0,01	19.11.2020	19.11.2025	Aa3

List of Issued and Outstanding Slovak Mortgage Covered Bonds

The following table lists information concerning the outstanding Slovak Mortgage Covered Bonds issued by the Slovak branch of the Issuer. The data is valid as of 14 May 2021.

Name of the Slovak Mortgage Covered Bond issue	ISIN	Currency	Sum of issue	Interest yield	Issuance date	Date of the maturity of the bonds	Rating (assigned by Moody's)

			(million)	(% p.a.)			
UCB HZL 1.55/2021	SK4120010208	EUR	15	1,55	28.8.2014	30.8.2021	-
UCB HZL 1,20/2022 (UCBHZL14H)	SK4120010752	EUR	30	1,2	25.5.2015	25.5.2022	Aa3
UCB HZL EUR 1,40/2024	SK4120011131	EUR	15	1,4	15.10.2015	15.10.2024	-
UCB HZL EUR 1,80/2025	SK4120011123	EUR	30	1,8	15.10.2015	15.10.2025	-
UCB HZL EUR 0,65/2021	SK4120011305	EUR	20	0,65	10.12.2015	10.12.2021	Aa3

USE OF PROCEEDS

Unless otherwise specified in the relevant Final Terms, the net proceeds from each issue of Mortgage Covered Bonds by the Issuer will be used for its general corporate purposes, i.e. making profits. If, in respect of any particular issue, there exists a particular identified use of proceeds other than using the net proceeds for general corporate purposes of the Issuer, i.e. making profits, 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 Mortgage Covered Bonds. This may not apply in the case of "green" Mortgage Covered Bonds, "social" Mortgage Covered Bonds and "sustainability" Mortgage Covered Bonds, where the Issuer intends to apply an amount equivalent to the net proceeds from each offer of "green" Mortgage Covered Bonds, "social" Mortgage Covered Bonds and "sustainability" Mortgage Covered Bonds to finance or refinance eligible projects selected in accordance with the Sustainability Bond Framework as further specified in the Final Terms..

SELECTED FINANCIAL INFORMATION

The following tables present selected historical consolidated financial information of the Issuer as of and for the years ended 31 December 2020 and 2019 which has been derived from the financial statements of the Issuer for the year ended 31 December 2020 issued on 16 March 2021 and incorporated by reference into this Base Prospectus. The information below should be read in conjunction with the information contained in "Presentation of Information" and the financial statements of the Issuer incorporated by reference into this Base Prospectus. The financial statements have been prepared in accordance with IFRS as adopted by the EU.

Selected consolidated data of comprehensive income statement

	Year ended 31 December	
	2020	**2019**
	(in CZK millions)	*(in CZK millions)*
Interest income of which:	14,493	18,597
– interest income calculated using the effective interest method	13,071	17,604
Interest expenses	(2,402)	(4,019)
Net interest income	**12,091**	**14,578**
Fee and commission income	4,858	5,387
Fee and commission expenses	(1,317)	(1,385)
Net fee and commission income	**3,541**	**4,002**
Dividend income	6	5
Net income/(loss) from trading	1,859	1,885
Net income/(loss) from hedging against risk of changes in fair value	-	(12)
Net income/(loss) from the sale or repurchase of	499	489
Financial assets at amortised cost	88	154
Financial assets at fair value through other comprehensive income	412	335
Financial liabilities	(1)	-
Net income/(loss) from financial assets/liabilities at fair value through profit or loss, of which	82	139
Mandatorily at fair value	82	139
Operating income	**18,078**	**21,086**
Impairment losses on:	(2,798)	(1,309)
Financial assets at amortised cost	(2,800)	(1,310)
Financial assets at fair value through other comprehensive income	2	1
Modification gain/(loss)	(57)	-
Administrative expenses	(7,092)	(6,949)
Net provisions for risks and charges	(673)	342
Loan commitments and financial guarantees given	(570)	401
Other net provisions	(103)	(59)

Depreciation and impairment of property, equipment and right of use assets	(1,001)	(992)
Amortisation and impairment of intangible assets	(548)	(540)
Other operating income and expenses	759	694
Operating expenses	**(8,555)**	**(7,445)**
Net income/(loss) on property and investment property measured at fair value	(12)	(25)
Profit/(loss) from equity investments	52	70
Profit/(loss) from the sale of non-financial assets	-	228
Profit before income tax	**6,708**	**12,605**
Income tax	(1,391)	(2,483)
Profit after tax	**5,317**	**10,122**
Net profit attributable to the Group's shareholders	**5,317**	**10,122**
Items that cannot be subsequently reclassified to profit or loss		
Reserve from revaluation of property used in business measured at fair value, of which:	(11)	261
Change in fair value	(3)	329
Transfers to other net equity items	(11)	n/a
Deferred tax	3	(68)
Items that can be subsequently reclassified to profit or loss		
Reserve from revaluation of hedging instruments in cash flow hedges, of which:	**1,365**	**(1,001)**
Change in fair value	1,699	(1,239)
Revaluation reclassified to profit or loss	--	--
Deferred tax	(334)	238
Reserve from revaluation of financial assets at fair value through other comprehensive income, of which:	**(211)**	**(264)**
Change in fair value	64	(53)
Revaluation reclassified to profit or loss	(326)	(224)
Deferred tax	51	13
Foreign exchange rate gains from the consolidation of a foreign branch	424	(171)
Other comprehensive income, net of tax	**1,567**	**(1,175)**
Other comprehensive income, net of tax, attributable to the Group's shareholders	**1,567**	**(1,175)**
Total comprehensive income, net of tax	**6,884**	**8,947**
Total comprehensive income, net of tax, attributable to the Group's shareholders	**6,884**	**8,947**

Selected data of consolidated statement of financial position

	Year ended 31 December	
	2020 *(in CZK millions)*	**2019** *(in CZK millions)*
ASSETS		
Cash and cash balances	4,072	4,634
Financial assets at fair value through profit or loss, of which	17,082	12,185
Held for trading	16,542	11,698
Mandatorily at fair value	540	487
Financial assets at fair value through other comprehensive income	20,518	23,181
Financial assets at amortised cost, of which:	598,431	626,735
Loans and advances to banks	136,955	185,975
Loans and advances to customers	461,476	440,760
Positive fair value of hedging derivatives	10,385	7,198
Equity investments	359	372
Property, equipment and right of use assets	6,879	6,406
Investment property	360	371
Intangible assets	2,608	2,345
Tax receivables, of which:	1,546	1,005
Current income tax	799	-
Deferred tax	747	1,005
Non-current assets held for sale	40	31
Other assets	2,072	2,130
Total assets	**664,352**	**686,593**
LIABILITIES		
Financial liabilities at fair value through profit or loss, of which	16,812	11,537
Held for trading	16,812	11,537
Financial liabilities at amortised cost, of which:	541,139	576,627
Deposits from banks	105,519	141,092
Deposits from customers	425,147	414,953
Debt securities issued	10,473	20,582
Negative fair value of hedging derivatives	7,455	7,624
Changes in fair value of the portfolio of hedged instruments	1,636	1,096
Tax liabilities, *of which*:	905	1,481
Current income tax	57	659
Deferred tax	848	822
Other liabilities	9,312	8,733
Provisions for risks and charges	1,501	882
Total liabilities	**578,760**	**607,980**
EQUITY		
Issued capital	8,755	8,755
Share premium	3,495	3,495
Reserve funds from revaluation	1,304	(263)
Retained earnings and reserve funds	66,721	56,504
Profit for the period	5,317	10,122
Total shareholder's equity	**85,592**	**78,613**
Total liabilities and shareholder's equity	**664,352**	**686,593**

Selected data of consolidated statement of cash flows

	Year ended 31 December	
	2020 *(in CZK millions)*	**2019** *(in CZK millions)*
Profit after tax	**5,317**	**10,122**
Adjustments for non-monetary items:		
Impairment losses of:	2,885	1,309
Financial assets at amortised costs	2,857	1,310
Financial assets at fair value through other comprehensive income	(2)	(1)
Revaluation of financial instruments	252	637
Net provisions for risks and charges	673	(342)
Loan commitments and financial guarantees given	570	(401)
Other net provisions	103	59
Depreciation and impairment of property, equipment and right of use assets	1,001	992
Amortisation and impairment of intangible assets	548	540
Net income/(loss) from the sale or repurchase of:	113	113
Financial assets at amortised costs	-	-
Financial assets at fair value through other comprehensive income	113	113
Financial liabilities	-	-
Profit/(loss) from equity investments	13	(40)
Profit/(loss) from the sale of non-financial assets	-	(228)
Taxes	1,391	1,808
Unrealised foreign currency gains/(losses)	424	(171)
Other non-monetary adjustments	(4,558)	(3,170)
Operating profit before change in operating assets and liabilities	**8,029**	**11,570**
Financial assets at fair value through profit or loss, *of which*:	(6,108)	(2,852)
Held for trading	(6,133)	(2,850)
Mandatorily at fair value	25	(2)
Financial assets at amortised cost, *of which*:	27,311	(14,697)
Loans and advances to banks	48,946	14,091
Loans and advances to customers	(21,635)	(28,788)
Other assets	58	(451)
Financial liabilities at fair value through profit or loss, *of which*	6,188	2,733
Held for trading	6,188	2,733
Financial liabilities at amortised cost, *of which*:	(25,250)	8,995
Deposits from banks	(35,452)	(31,127)
Deposits from customers	10,202	40,122
Other liabilities	481	233
Income tax paid	(2,457)	(2,072)
Net cash flows from operating activities	**8,252**	**3,459**
(Acquisition)/sale and maturity of financial assets at fair value through other comprehensive income and other financial instruments	1,203	5,590
Cash proceeds from the sale of property and equipment and intangible assets	1,061	1,613
(Acquisition) of property and equipment and intangible assets	(649)	(2,171)
Dividends received	6	5
Net cash flows from investment activities	**1,621**	**5,037**
Dividends paid	-	(6,070)
Financial liabilities at amortised cost – debt securities issued and repaid	(10,044)	(2,260)
(Payment) of Lease liabilities	(391)	(374)
Net cash flows from financial activities	**(10,435)**	**(8,704)**

Cash and cash balances at the beginning of the period	**4,634**	**4,842**
Cash and cash balances at the end of the period	**4,072**	**4,634**
Interest received	15,496	18,692
Interest paid	(3,528)	(3,794)

DESCRIPTION OF THE ISSUER

The following description of the Issuer sets out selected consolidated financial information relating to the Issuer. Unless stated otherwise, all such financial information has been extracted from the financial statements of the Issuer incorporated by reference into this Base Prospectus.

Overview

The Issuer is a universal bank providing retail, commercial and investment banking services mainly in the Czech Republic and Slovakia for domestic and foreign customers.

The Issuer was incorporated as a joint stock company under the laws of the Czech Republic on 1 January 1996 for an indefinite period and is registered in the Commercial Register maintained by the Municipal Court in Prague, File No. B 3608. The Issuer's identification number is 649 48 242 and its registered office is at Želetavská 1525/1, 140 92 Prague 4, Czech Republic, its telephone number is +420 955 911 111, its fax number +420 221 112 132, its email address info@unicreditgroup.cz and its internet address www.unicreditbank.cz. The LEI of the Issuer is KR6LSKV3BTSJRD41IF75.

The Issuer is the fourth largest bank and financial services provider in the Czech Republic, based on its balance sheet sum (according to the Issuer's data and the CNB's ARAD database as of 31 December 2020). The Issuer, together with its direct and indirect subsidiaries (the **Group**), offers a wide range of banking and financial services to both private and corporate clients. Headquartered in Prague, as of 31 December 2020, the Issuer operated a wide network of 108 branches and 421 ATMs throughout the Czech Republic and Slovakia. As of 31 December 2020, the Issuer had on average 3,347 employees on a consolidated basis whilst the Issuer had on average 3,018 employees on a non-consolidated basis.

The Issuer holds a universal banking licence and offers services to retail clients, small and medium-sized enterprises (the **SME**), large corporate customers, as well as institutional and public sector clients and high net worth individuals. Key products and services offered by the Issuer include bank accounts, credit and debit cards, corporate and consumer loans, real estate, export and project finance, private banking and investment banking products. Through its subsidiaries, the Issuer further provides additional services such as factoring products, leasing and instalment sales, mediation of services and sales, real estate activities including purchase, sale, lease and administration, or consumer and commercial loans.

As a member of the UniCredit Group, one of the largest European banking groups, the Issuer can take advantage of the UniCredit Group's wide network when offering products and services outside of the Czech Republic and Slovakia. As of 31 December 2020, the UniCredit Group operated in 13 core markets, had operations in further 16 countries worldwide and had 3,490 branches and 82,107 full-time equivalent employees (according to data of UniCredit S.p.A. presented in its annual consolidated report as of and for the year ended 31 December 2020).

The Issuer's business activities are divided into three primary operating segments, differentiated by the scope and nature of products and services they offer. These segments are:

(a) the corporate and investment banking segment, together with lease (the **Corporate and Investment Banking Segment**), which consists of the corporate banking and investment banking divisions and lease;

(b) the private and retail banking segment (the **Private and Retail Banking Segment**), which consists of the retail banking and private banking divisions; and

(c) the other business segment (the **Other Business Segment**).

The table below provides key financial data for the Issuer's segments:

Year ended 31 December					
2020	**2019**	**2020**	**2019**	**2020**	**2019**
Net interest and dividend income		Profit (loss) before tax		Net profit (loss) [1]	
		(*in CZK millions*)			

Corporate and Investment Banking Segment	7,922	8,859	5,005	8,744	5,005	8,744
Private and Retail Banking Segment	2,955	3,539	(95)	842	(95)	842
Other Business Segment	1,220	2,185	1,798	3,019	407	536
Total	**12,097**	**14,583**	**6,708**	**12,605**	**5,317**	**10,122**

Note:
(1) Income tax is not disclosed separately for the Corporate and Investment Banking segment and the Private and Retail Banking segment. The aggregate amount of all segments is presented in the Other Business Segment table (see section "Business Overview of the Issuer - Other Business Segment" below).

As of 31 December 2020, the total assets of the Issuer were CZK 664,352 million, the Issuer had CZK 425,147 million of customer deposits and outstanding customer loans of CZK 461,476 million. The Issuer aims to maintain its financial stability through a strong capital base, with its common equity tier 1 (CET1) ratio amounting to 23.36 per cent. and its total capital ratio amounting to 23.40 per cent. (both according to Basel III phase-in rules) as of 31 December 2020.

As of the date of this Base Prospectus, the Issuer's share capital amounts to CZK 8,754,617,898 and has been fully paid up. The Issuer's shares have not been admitted to trading on a regulated market and are all registered in the central securities depository. The Issuer has not issued any shares providing their holders a right to exchange such shares for other shares or a right to priority subscription of other shares. The Issuer's shares are freely transferrable. No consent of any of the company's body is required for their transfer or pledge to become effective. Voting rights pertaining to these shares are in no way limited.

The Issuer has won a number of prestigious awards for a variety of its products and services. In 2020, the Issuer was awarded the Best Corporate Bank in the Czech Republic award by the Global Banking & Finance Awards and International Business Magazine. The Issuer has also won the Account of the Year category in the completion of a Czech portal Finparáda. At the same the Issuer was recognised as the Best Trade Finance Service Provider in the Trade Finance Survey 2020 of Euromoney Magazine. UniCredit Group was recognised by Capital Finance International Magazine as the Best Social Impact Bank in Europe in 2020.

In the conduct of its activities, the Issuer is primarily governed by Czech and Slovak law, in particular the Czech Banking Act, the Czech Business Corporations Act, the Czech Capital Markets Act, the Slovak Banking Act, the Slovak Securities Act, Slovak Act No. 513/1991 Coll., the Commercial Code, as amended, and other Czech and Slovak laws and regulations governing operations in the banking and capital markets.

History and Development of the Issuer

Although the UniCredit Group launched its activities in the Czech market on 5 November 2007, the entity today called UniCredit Bank Czech Republic and Slovakia a.s. (i.e., the Issuer) was incorporated on 1 January 1996 (then with the business name Vereinsbank (CZ) a.s.). The Issuer was created through the merger of HVB Bank Czech Republic a.s. and Živnostenská banka, a.s. The assets of the dissolved company Živnostenská banka, a.s. were assumed by the successor company, HVB Bank Czech Republic a.s., as a result of the merger. The effective date of the merger was 1 October 2006.

HVB Bank Czech Republic a.s. was established by the merger of HypoVereinsbank CZ a.s. and Bank Austria Creditanstalt Czech Republic, a.s., without liquidation, on 1 October 2001. All rights and obligations of the dissolved company Bank Austria Creditanstalt Czech Republic, a.s. were assumed by HVB Bank Czech Republic a.s. The change of name, amount of issued capital and other facts connected with the merger were recorded in the commercial register on 1 October 2001. HVB Bank Czech Republic, a.s. became a member of the UniCredit Bank Austria AG's (**Bank Austria**) group in 2005.

Živnostenská banka was established in 1868 as a bank oriented toward financing small and medium-sized Czech enterprises. It was the first bank founded in Austria-Hungary exclusively with Czech capital. In 1945, it was nationalised, as were other banks. From 1950 to 1956, it still existed as a legal entity but its activities were significantly restricted. On the day of its entry in the Commercial Register, on 1 March 1992, Živnostenská banka assumed authorization to operate as a bank on the basis of, among others, the Czech Banking Act and Government Resolution No. 1 dated 9 January 1992, by which the privatization of Živnostenská banka was approved. In February 2003, the bank UniCredito Italiano SpA completed the acquisition of an 85.16 per cent. share in the issued capital of Živnostenská banka, a.s. from Bankgesellschaft Berlin AG, and thus the oldest Czech bank became part of the UniCredito Italiano Group.

On 1 December 2013, a cross-border merger through an amalgamation of the Issuer (as the successor company named UniCredit Bank Czech Republic and Slovakia, a.s.) and UniCredit Bank Slovakia a.s., which was thereby wound up, became effective. The decisive date was 1 July 2013. The merger integrated the business activities of UniCredit Bank Czech Republic, a.s. and UniCredit Bank Slovakia a.s., previously performed by two independent entities, meaning that following the completion of the merger, the Issuer performs activities previously undertaken by UniCredit Bank Slovakia a.s. on the territory of Slovakia through its organisational branch UniCredit Bank Czech Republic and Slovakia, a.s., pobočka zahraničnej banky (branch of a foreign bank).

On 14 February 2014, the Issuer purchased all shares in UniCredit Leasing CZ, a.s. (**UniCredit Leasing CZ**) and further 71.3 per cent. of shares in UniCredit Leasing Slovakia, a.s. (**UniCredit Leasing SK**) (resulting in a total ownership interest of 91.2 per cent.) from UniCredit Leasing S.p.A. for a total acquisition price of CZK 3.21 billion. The sale occurred as part of the reorganization within the Group. The 91.2 per cent. of shares in UniCredit Leasing SK were subsequently transferred as a non-monetary contribution to the registered capital of UniCredit Leasing CZ. The purpose of the acquisition of UniCredit Leasing CZ was primarily to extend an offer of financial services to clients of the Issuer and UniCredit Leasing CZ through the creation of a new service model based on client approach from one place.

On 20 January 2015, the Issuer completed the acquisition of 100 per cent. of shares in Transfinance, a.s. The entity was acquired from a person outside the UniCredit Group. In May 2015, the name Transfinance, a.s. was changed to UniCredit Factoring Czech Republic and Slovakia, a.s.

In January 2015, UniCredit Leasing Real Estate s.r.o. was merged into UniCredit Leasing SK. CAC Real Estate, s.r.o., owned by UniCredit Leasing CZ was sold outside the UniCredit Group in June 2015. In March 2016, BACA Leasing Gama s.r.o. was sold as well, followed by the sale of CA-Leasing EURO, s.r.o., in February 2017. In February 2016, INPROX Poprad, spol. s r.o. and INPROX SR I., spol. s r.o were merged into UniCredit Leasing SK. Subsequently, INPROX Chomutov, s.r.o. and INPROX Kladno, s.r.o. were merged into UniCredit Leasing CZ in August 2016.

Corporate Changes

Minority shareholders' squeeze out

On 1 June 2016, the general meeting of the Issuer (the **General Meeting**) decided on the squeeze-out of the Issuer's minority shareholders, based on a request by its former majority shareholder Bank Austria. Pursuant to the resolution, all shares in the Issuer owned by persons other than Bank Austria, corresponding to approx. 0.04 per cent. of the Issuer's share capital, were transferred onto Bank Austria, in exchange for compensation to be paid by Bank Austria to the minority shareholders. In September 2016, Bank Austria was registered in the Commercial Register as the sole shareholder of the Issuer.

Reorganization of the UniCredit Group

On 11 November 2015, UniCredit S.p.A. announced its so-called "2018 strategic plan" in which it communicated its financial targets and contemplated measures to achieve such financial targets. These include, among others, the elimination of Bank Austria's function as sub-holding of the CEE subsidiaries, including the Issuer, with UniCredit S.p.A. assuming direct control of such subsidiaries by the end of 2016.

The restructuring was achieved through a demerger of the business operations and subsidiaries of Bank Austria in CEE, including, among others, the Issuer, UniCredit Bank a. d. Banja Luka, UniCredit Bank Hungary Zrt., UNICREDIT BANK S. A., UniCredit Bank Serbia JSC, UniCredit Banka Slovenija d. d. and UniCredit Bulbank AD, into a special purpose vehicle and the subsequent cross-border merger of this special purpose vehicle into UniCredit S.p.A. The reorganization following the completion of the demerger and merger became effective as of 1 October 2016. Consequently the Issuer ceased to be a subsidiary of Bank Austria and became a direct subsidiary of UniCredit S.p.A.

Recent Events Particular to the Issuer

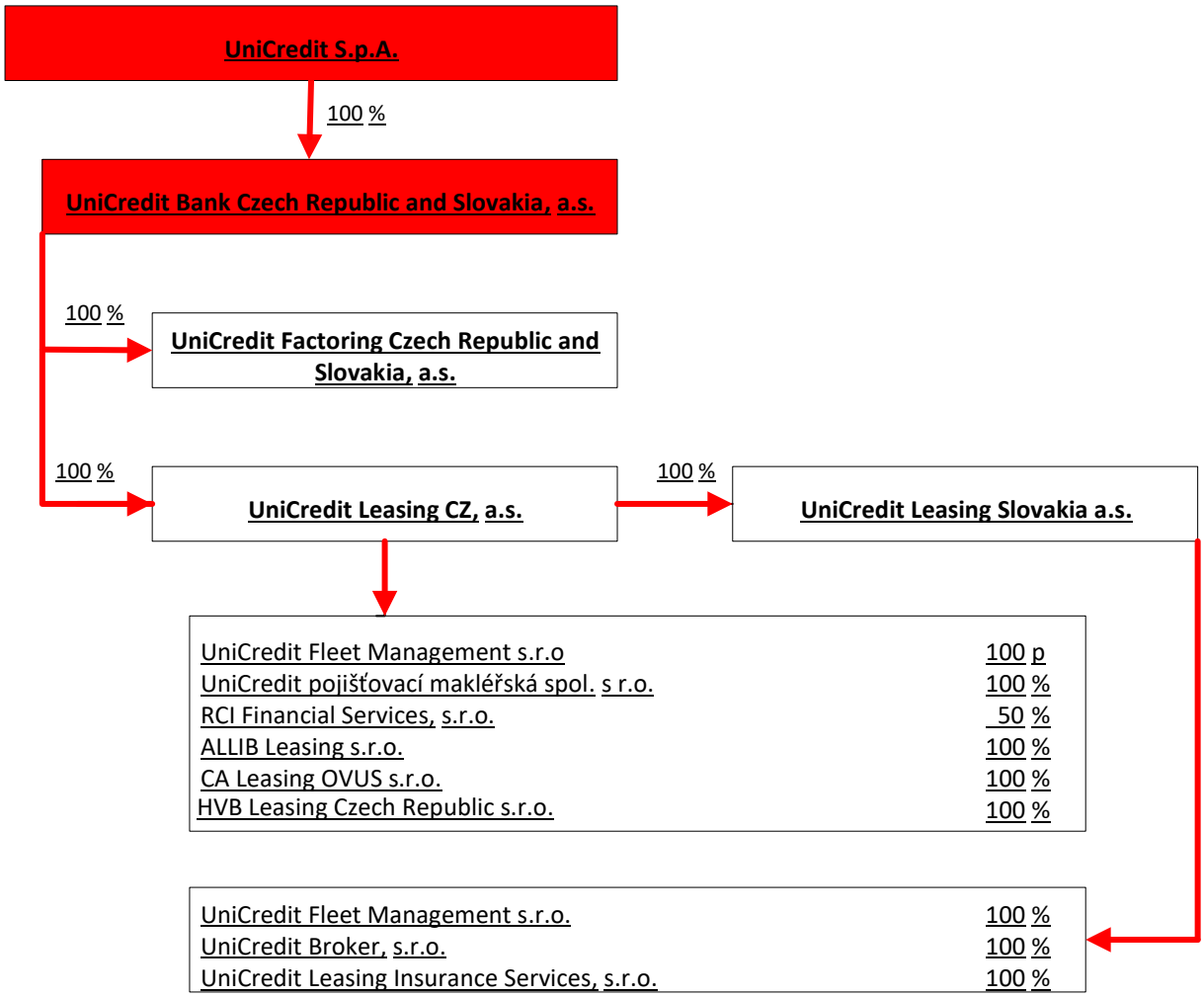
The Issuer fulfils all its debts duly and on time. The Issuer is not aware of any recent events specific to it that would be of significant importance in assessing the Issuer's solvency.

Credit Rating

The Issuer has not been assigned any rating.

Group Structure

The table below provides an overview of the Group structure as of the date of this Base Prospectus:



As of the date of this Base Prospectus, the Group comprises the Issuer and 11 subsidiaries and one associate. The following table provides an overview of companies that are consolidated in the financial statements as of the date of this Base Prospectus:

Group Entity	Country	Business Activity	Parent Company	Ownership Interest *(per cent.)*
UniCredit Factoring Czech Republic and Slovakia, a.s.	CZ	Factoring	Issuer	100.0
UniCredit Leasing CZ	CZ	Leasing	Issuer	100.0
UniCredit Fleet Management s.r.o.	CZ	Lease of motor vehicles	UniCredit Leasing CZ	100.0
UniCredit pojišťovací makléřská spol. s.r.o.	CZ	Mediation of services	UniCredit Leasing CZ	100.0
RCI Financial Services, s.r.o.(1)	CZ	Financing of motor vehicles	UniCredit Leasing CZ	50.0
ALLIB Leasing s.r.o.	CZ	Real estate project company	UniCredit Leasing CZ	100.0
CA-Leasing OVUS s.r.o.	CZ	Real estate project company	UniCredit Leasing CZ	100.0

HVB Leasing Czech Republic s.r.o.....	CZ	Real estate project company	UniCredit Leasing CZ	100.0
UniCredit Leasing SK.	SK	Leasing	UniCredit Leasing CZ	100.0
UniCredit Fleet Management s.r.o.	SK	Lease of motor vehicles	UniCredit Leasing SK	100.0
UniCredit Broker, s.r.o.	SK	Mediation of services	UniCredit Leasing SK	100.0
UniCredit Leasing Insurance Services, s.r.o.....	SK	Mediation of services	UniCredit Leasing SK	100.0

Notes:

(1) RCI Financial Services, s.r.o. is an associate that is consolidated using the equity method. The Group holds 49.9 per cent. of voting rights and does not exercise control over this entity.

The following table provides an overview of the key direct and indirect subsidiaries of the Issuer as of the date of this Base Prospectus:

Subsidiary	**Description**
UniCredit Factoring Czech Republic and Slovakia, a.s.	Principal activity is the provision of factoring services, the purpose of which is to finance, collect and secure short-term receivables of clients from various industry segments whereby the services are intended primarily for small and medium sized companies.
UniCredit Leasing CZ	Principal activities include leases and instalment sale, primarily brand vehicle financing, credit financing in the area of corporate loans, and operating leasing for businesses and private individuals.
UniCredit Leasing SK	Principal activities include leases and instalment sale for businesses and private individuals in the area of automobile vehicles, technology, machinery and real estate. Through its subsidiaries, it also provides fleet management services and operating leasing as well as insurance brokerage.

Slovak Branch of the Issuer

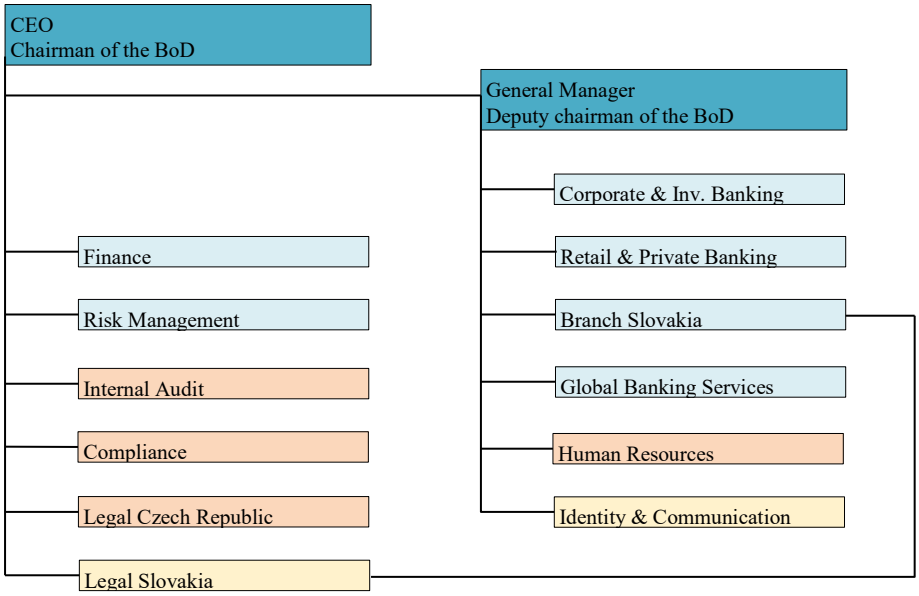
As a result of the cross-border merger of the Issuer and the former UniCredit Bank Slovakia a.s. on 1 December 2013 (see section History and Development of the Issuer above), the Issuer assumed business activities previously conducted by UniCredit Bank Slovakia a.s. and has been operating and offering banking services in Slovakia through its organisational branch UniCredit Bank Czech Republic and Slovakia, a.s., pobočka zahraničnej banky (branch of a foreign bank).

Pursuant to the Slovak Banking Act, the Issuer offers banking services in Slovakia on the basis of its Czech banking license granted by the CNB.

The purpose of the cross-border merger of the Czech and Slovak banks was to create a stronger entity which would do business on both markets, benefiting from cost synergies, more balanced capital structure and optimised liquidity management.

Issuer's Internal Governance Structure

As of 31 December 2020, the Issuer's internal governance structure is as follows:



Sole Shareholder

As a result of the restructuring of the UniCredit Group, as of 1 October 2016, the Issuer became a direct subsidiary of UniCredit S.p.A. (see section Corporate Changes - Reorganization of the UniCredit Group above for more information).

UniCredit S.p.A. is incorporated under Italian law, with its registered office at Via A. Specchi 16, IT-RM 00186 Rome, Italy. LEI of UniCredit S.p.A. is 549300TRUWO2CD2G5692. It is a universal bank, a financial services provider and the parent company of the UniCredit Group. It offers banking and financial services for families, individuals and corporate clients, such as accounts, loans, mortgages, investments, financial advices and insurances products. It operates through its numerous subsidiaries across multiple countries, such as Italy, Germany, Austria and CEE. Its shares are listed and traded on the Milan Stock Exchange. The following table shows the overview of shareholders of UniCredit S.p.A. holding at least 5 per cent. of the shares:

	Shareholders of UniCredit S.p.A	**Shares as at 26 April 2021** (*in per cent.*)
1.	Gruppo BlackRock.....	5.122
2.	Capital Research and Management Company	5.008

UniCredit S.p.A.'s business is divided into five segments: (i) commercial banking Italy, (ii) CEE division, (iii) corporate and investment banking, (iv) commercial banking Germany, and (v) commercial banking Austria. The Issuer is part of the CEE business segment.

As the Issuer's sole shareholder, UniCredit S.p.A. exercises control over the Issuer who must therefore comply, subject to applicable law, with relevant directives issued by UniCredit S.p.A. The Issuer uses standard statutory mechanisms to prevent UniCredit S.p.A's potential misuse of its position and control over the Issuer, including the statutory instrument of the report on relations between the related entities. The Issuer is not a party to a controlling contract or a contract for the transfer of profits. The Issuer is not aware of any agreements that could lead to a change of control over the Issuer.

UniCredit Group

The Issuer is part of the UniCredit Group, one of the largest European banking groups with a focus on Austria, Germany and Italy as well as CEE including the Czech Republic and Slovakia. The UniCredit Group and its parent

company UniCredit S.p.A. act as a universal banking and financial services provider, offering its products to retail, corporate and institutional clients in both Western Europe and CEE. As of 31 December 2020, the UniCredit Group operated in 13 core markets, had operations in further 16 countries worldwide and had 3,490 branches and 82,107 full-time equivalent employees (according to data of UniCredit S.p.A. presented in its annual consolidated report as of and for the year ended 31 December 2020).

In 2016-2019, the UniCredit Group successfully implemented its Transform 2019 plan, the main objective of which was to streamline the UniCredit Group and strengthen its capital position through business innovation, digital transformation, consistent risk management, transparent corporate governance and key banking initiatives, all with a positive impact on society based on an ethical approach and respect.

After the successful implementation of the Transform 2019 plan, UniCredit Group presented the new strategic Multi-Year-Plan "Team 23" in December 2019. The plan covers the period 2020-23. Focal points of the new plan are expansion and strengthening of the client franchise (further improvement of the client experience), transformation and maximization of productivity, disciplined risk management and controls and a strong focus on capital and balance sheet management.

UniCredit Group's portfolio of activities is highly diversified by segments and geographical areas, with a strong focus on commercial banking. Its wide range of banking and financial activities include deposit-taking, lending, asset management, securities trading and brokerage, investment banking, international trade finance, corporate finance, leasing or factoring.

The contemporary history of the UniCredit Group started with the merger of nine leading Italian banks, the subsequent integration with the German HVB Group and, most recently, with the Italian Capitalia. In 1999, the acquisition of Bank Pekao of Poland started the UniCredit Group's expansion (at that time under the name UniCredito Italiano) into CEE that continued over the next years through, among others, the purchase of the Pioneer Investments Group, the subsequent formation of Pioneer Global Asset Management, and further strategic acquisitions gradually carried out in Bulgaria, Slovakia, Croatia, Romania, the Czech Republic and Turkey.

During 2017, most of the stake held in Bank Pekao was sold to a third party and therefore Bank Pekao in Poland was excluded from the UniCredit Group. In addition, the investment branch of Pioneer Investments was sold. With the new owner of Pioneer Investments, the Amundi Group, the UniCredit Group has entered into a strategic partnership in relation to the distribution network covering Italy, Germany and Austria.

The Issuer is not dependent on other members of the UniCredit Group, however, there are certain mutual ties and connections among the UniCredit Group members, established mainly through numerous refinancing arrangements, competence centres for individual business segments to which the Issuer has access, cross-holdings, implementation of group-wide IT systems, mutually shared products and standards, as well as through funding measures regarding the capital of the Issuer.

Business Overview of the Issuer

The Issuer is a universal provider of banking and financial products and services, including retail, commercial as well as investment banking, in CZK and foreign currencies for both domestic and foreign clients. The Issuer operates mainly in the Czech Republic and Slovakia, but is active also in other EU countries, taking advantage of the wide network of the UniCredit Group.

The Issuer's business activities include banking transactions and provision of financial services including primarily:

- receiving deposits from the public;
- operating a system of payments and clearing;
- providing depository services for investment funds;
- providing loans;
- opening letters of credit;
- conducting foreign currency exchange activities;

- investing in securities on its own behalf;
- conducting financial brokerage;
- providing banking information;
- administering cash collection;
- issuing mortgage covered bonds;
- renting safe-deposit boxes;
- issuing and administration of payment products;
- participating in share subscriptions and providing related services;
- providing custody and depository services and administration of securities; and
- providing guarantees;
- managing securities, including portfolio management, on behalf of clients;
- trading on its own behalf or on behalf of clients with foreign-exchange currency products, derivatives and transferable securities.

Through its subsidiaries and associated companies, the Issuer also provides the following types of services:

- lease and instalment sale of cars, machinery and equipment;
- purchase, sale and lease of real estate;
- operating leasing of cars (including full-service and fleet administration), trucks, machinery and equipment;
- consumer and commercial loans granted for the purchase of cars, machinery and equipment;
- real estate administration and maintenance;
- real estate activities;
- insurance mediation and distribution for leased and non-leased assets; and
- lease to own (lease purchase);
- mediation of services and sales;
- factoring.

The Issuer operates through three principal business segments: the Corporate and Investment Banking Segment, the Private and Retail Banking Segment and the Other Business Segment.

Corporate and Investment Banking Segment

The Issuer's Corporate and Investment Banking Segment covers various customers including SMEs (companies with an annual turnover between CZK 10 and 250 million), medium enterprises (companies with an annual turnover between CZK 250 million and 2.5 billion), corporate clients (companies with an annual turnover above CZK 2.5 billion), international clients (multinational SME enterprises), financial institutions (insurance companies, pension funds and other non-bank financial institutions), real estate financing (developers and investors in commercial and residential real estate), public administration (regions, cities, municipalities and associations of municipalities) and agriculture (farmers, biogas plants and subsidy programmes).

Key services and products offered in the Issuer's Corporate and Investment Banking Segment are: lending operations, commercial real estate finance, project and structured finance, trade and export finance, documentary transactions, investment advisory, treasury and custody services, capital market activities inclusive of securities underwriting for clients, EU funds, maintaining accounts and deposits, payments, electronic banking and cash pooling. The Issuer's subsidiaries further offer comprehensive leasing and factoring services including domestic factoring and export.

The table below outlines key financial data for the Issuer's Corporate and Investment Banking Segment for the years ended 31 December 2020 and 2019 (which was extracted from the audited annual reports):

	Year ended 31 December	
	2020	**2019**
	(in CZK millions)	
Net interest and dividend income	7,922	8,859
Other net income	4,812	4,692
Depreciation/impairment losses of property and equipment and intangible assets	(487)	(565)
Impairment loss	(2,754)	(554)
Segment expenses	(4,488)	(3,688)
Profit before tax	5,005	8,744
Income tax(1)	-	-
Result of segment	**5,005**	**8,744**
Segment assets (end of period)	491,567	524,293
Segment liabilities (end of period)	374,877	407,144

Note:
(1) Income tax is not disclosed separately for this segment. The aggregate amount of all segments is presented in the Other Business Segment table (see section Business Overview of the Issuer – Other Business Segment below).

Corporate Banking

The Issuer's corporate banking division offers tailored financial services to large national and international corporate clients, financial institutions, public institutions and institutional real estate customers. It provides a complete range of commercial banking services and finance products together with access to one of the largest networks of banks in CEE, as well as to branches of the UniCredit Group in major financial centres worldwide.

The Issuer's activities in this division include, among other things, structured and project finance, syndications, real-estate finance, trade finance and investment advisory. The Issuer provides additional services to its corporate customers including working capital financing, a variety of domestic and international non-cash credit line facilities, such as letters of credit and guarantees, cash management and insurance services.

The Issuer also provides project financing and real estate financing, where the main source of repayment is the future cash-flow from the relevant investment. This type of financing involves the preparation of a business plan of the investment that is to bring to the investor a real and predictable future income ensuring the requested return on investment.

The Issuer holds strong position in real estate and infrastructure projects. Loans are provided especially for the purpose of (i) investment acquisition, (ii) development, (iii) upgrade, reconstruction and revitalisation or (iv) refinancing of outstanding liabilities. Real estate financing is focused in particular on (i) commercial real estate, (ii) residential real estate and (iii) land with planning permission for new development. Aside from real estate, financing is also provided to (i) industrial and manufacturing units (such as production lines), (ii) energy plants (such as small hydroelectric or wind plants) and (iii) public infrastructure. In line with the Issuer's long-term strategy the Issuer's main focus is on developing its position in the SME/ICC (international corporate customer) segment.

The Issuer's trade and export activities include (i) bank guarantees and other documentary services and (ii) structured trade and export finance. The Issuer's clients within these product lines include importers and exporters in the large corporate and SME segments. As part of its trade and export finance activities, the Issuer issues and processes bank guarantees, counter-guarantees and letters of credit (including forfeiting of receivables under letters of credit issued by other banks) and also extends export credits under the Export Credit Agencies *(*in Czech, *Exportní garanční a pojišťovací společnost, a.s. or* in Slovak, *Exportno-importná banka Slovenskej republiky*) insurance cover to foreign importers mainly out of the CEE region.

The Issuer provides factoring products mainly through its wholly-owned subsidiary UniCredit Factoring Czech Republic and Slovakia, a.s. (see below). The products offered include both domestic and export factoring, invoice discounting, credit cover and sales ledger management.

Investment Banking

The Issuer's investment banking division provides capital market services and investment banking solutions. In particular, this division provides derivative and foreign currency operations, capital market activities, such as

securities underwriting for clients, securities trading on various regulated and over-the-counter markets, investment advisory and consulting on mergers and acquisitions.

Leasing

The Issuer provides leasing products mainly through its wholly-owned subsidiary UniCredit Leasing CZ, one of the two biggest non-banking financing companies in the Czech Republic with the market share of 13.5 per cent. as of 31 December 2020 according to the data of UniCredit Leasing CZ. The leasing products offered include basic credit financing, financial leasing, operational leasing and insurance on financed items, such as passenger cars, commercial vehicles, trucks, transport equipment, machinery and technology.

In 2020, UniCredit Leasing CZ concluded 16,655 new financing contracts with the total value of CZK 11.9 billion, which represented a decrease by 26.40 per cent. in the total amount of financing provided as compared to 2019. Over the last couple of years, the Issuer via UniCredit Leasing CZ also strengthened its position in the area of agro-financing and engineering, as well as in the innovative system solutions. In 2021 (as was the case in 2020), the Issuer focuses on growth in the area of automotive and the financing of machinery and facilities in particular. In the long-term, the Issuer aims to maintain its leading position among the non-banking financing providers.

Private and Retail Banking Segment

The Issuer's Private and Retail Banking Segment is responsible for the local customer business in the Czech Republic and Slovakia, including the so-called small businesses, i.e., freelancers and companies with annual turnover below CZK 10 million.

The table below outlines key financial data for the Issuer's Private and Retail Banking Segment for the years ended 31 December 2020 and 2019 (which was extracted from the audited annual reports):

	Year ended 31 December	
	2020	**2019**
	(in CZK millions)	
Net interest and dividend income	2,955	3,539
Other net income	1,467	1,849
Depreciation/impairment losses of property and equipment and intangible assets	(651)	(627)
Impairment loss	(132)	(826)
Segment expenses	(3,734)	(3,093)
Profit before tax	(95)	842
Income tax[(1)]	-	-
Result of segment	**(95)**	**842**
Segment assets (end of period)	159,435	149,276
Segment liabilities (end of period)	189,465	183,885

Note:
(1) Income tax is not disclosed separately for this segment. The aggregate amount of all segments is presented in the Other Business Segment table (see section Business Overview of the Issuer – Other Business Segment below).

Retail Banking

The Issuer's retail banking division primarily provides the following services: providing accounts for individual clients, including the *U konto* account and the *U konto Premium* account, accounts for small enterprises, mortgage loans and consumer loans, including the PRESTO loan (the **PRESTO Loan**), overdrafts for private clients, insurance products (property insurance, life insurance and consumer protection insurance), internet, telephone and mobile banking, cash and money changing operations and supplementary services, payment cards including insurance (debit, credit and partner cards), operating, investment and mortgage loans for business clients, deposit, savings and investment products (the Issuer's own or in co-operation with Amundi), comprehensive offer of banking products for private clients, comprehensive management of clients' assets, including portfolio management and providing investment products on an open architecture basis.

The Issuer provides mortgage loans to private individuals and also commercial loans secured by properties in the Czech Republic and Slovakia. As of 31 December 2020, the overall volume of total mortgages provided on the

Czech and Slovak markets amounted to CZK121.2 billion. Some of the Issuer's products are unique on the Czech mortgage market (such as a variable mortgage, an offset mortgage and a mortgage with the provision of real estate adviser services). The Issuer provides mortgages with fixed and floating interest rates, depending on the market situation and client demand. The Issuer focuses on providing standard mortgages by simple, fast and cost-efficient process. The strategy is to continue with overall growth of mortgage portfolio and to further simplify and digitalize the process.

Private Banking

The Issuer's private banking division provides a comprehensive offer of banking and investment products for high net worth individuals (with total available assets above CZK3 million, or EUR100,000 in the case of the Issuer's Slovak branch) and private foundations. Further, it acts as the Issuer's competence centre for all asset management services. This division is also involved in creating structured products and offering brokerage services for active investors.

The Issuer's private banking division is based on a controlled open-fund architecture, which is a unique concept, through which the Issuer provides its private banking clients with access to investment solutions from the entire UniCredit Group, but also to selected funds in given categories offered by the Issuer's partner companies selected by a team of international experts for the Issuer's private clients. In 2019, strategic cooperation was also established in the area of investment insurance products with the insurance company Allianz.

Other Business Segment

This segment includes the profit and loss impacts of activities not directly linked to either the Corporate and Investment Banking Segment or the Private and Retail Banking Segment, so mostly the effects of management of assets and liabilities (i.e., liquidity and interest rate mismatch). Operating costs of the Other Business Segment also include the so-called integration costs, resulting from the integration of the Issuer and the formerly independent UniCredit Bank Slovakia a.s. (today UniCredit Bank Czech Republic and Slovakia, a.s., pobočka zahraničnej banky (branch of a foreign bank)).

The table below outlines key financial data for the Issuer's Other Business Segment for the years ended 31 December 2020 and 2019 (which was extracted from the audited annual reports):

	Year ended 31 December	
	2020	**2019**
	(in CZK millions)	
Net interest and dividend income	1,220	2,185
Other net income	501	701
Depreciation/impairment losses of property and equipment and intangible assets	(411)	(340)
Impairment loss	31	71
Segment expenses	457	402
Profit before tax	1,798	3,019
Income tax(1)	(1,391)	(2,483)
Result of segment	**407**	**536**
Segment assets (end of period)	13,350	13,024
Segment liabilities (end of period)	14,418	16,951

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Note:
(1) The presented income tax is the aggregate amount of income tax for all the segments.

Recent Product Development

Provided below is an overview of recent development of products and services offered by the Issuer.

New Corporate Products

With regard to current trends and new approaches to serving corporate clients, in 2020 the Issuer launched two centres focused on remote and digital serving of clients from the segment of small and medium-sized enterprises. Thanks to the use of modern technologies and simplified procedures, clients have the opportunity to handle their

requirements from the comfort of home and without the need to visit a branch. At the same time, an individual approach and personal advice from experienced specialists in the field of corporate banking were maintained.

New Retail Products

Since 2014, the Issuer offers an unique free-of-charge *U konto* account in the Czech Republic and Slovakia. The Issuer keeps on improving and promoting this product using innovative campaigns, e.g. by rewarding active clients and through cooperation with various food chains. In 2018 and 2019, *U konto* was awarded as the best account in Slovakia by Finanční hitparáda.

Since 2016, the Issuer has been offering the *U konto Tandem* account, which enables two individual clients to take advantage of the same benefits as with the *U konto* account, such as account keeping or withdrawals from all ATMs worldwide free of charge, domestic online payments free of charge and many other services. Each of the two linked accounts is completely independent and has its own payment card and the online and smart banking service. Further, since 2018, the Issuer has been offering a product called *U konto Business,* which is designated for entrepreneurs.

The *U konto* product family remains the mainstay of the offer of retail banking services in 2020 for clients with regular income and basic transaction needs, implemented in a simple way through payment and credit cards and mobile or online banking.

Loans

Since 2016, the Issuer has been offering its PRESTO Loan for Housing, which was the first product on the market to offer up to CZK 1 million without collateral, with clients only having to prove the purpose of the loan within six months of taking out the loan. The duration of the loan is up to 120 months with interest rates starting at 4.9 per cent. per annum. The administration and maintenance of the loan is free of charge.

In 2017, the Issuer introduced its PRESTO Loan – Consolidation of Loans, which offers bonuses after repayment and favourable interest rates to clients who consolidate loans in excess of CZK 200 thousand with the Issuer. In The Issuer further extended its portfolio of products by introducing special loans for small companies (*PRESTO Business* and *Business Kontokorent*). In 2018, the PRESTO Loan – Consolidation of Loans received an award for the best financial product by Finparada.cz.

The Issuer continues the expansion of the PRESTO Loan product line in the Czech Republic and Slovak Republic with remuneration for proper repayment. Initially, clients had the opportunity to receive a remuneration for proper repayment directly to their account after proper repayment of the loan. The remuneration for proper repayment has been extended to include the possibility of early repayment of the loan by the bank, thus shortening the repayment period for the client. In July 2019, the Issuer has simplified the product line and left this option to receive a remuneration for proper repayment. Thanks to the remuneration for proper repayment, the total cost of the PRESTO Loan for clients will reduce and the client will receive an interest rate of only 3.89 per cent. which is for everyone.

In both countries, the Issuer normally offers clients the option of loan with or without the remuneration for proper repayment. According to their situation, clients choose from four categories of loans: refinancing or loan transfer, simple and fast non-purpose loans under special conditions for existing Issuer clients, non-purpose loans in general and PRESTO loans for housing.

PRESTO Loan – Debt Consolidation was awarded as the best financial product of the year 2018 by Finparada.cz.

The focus of the Issuer on products with excellent conditions for clients with a good credit history is long-term and therefore this low-risk client segment is again the strongest segment of all drawn loans.

In 2020, the Issuer was awarded as the best provider of the services in cash management according to Cash Management Survey of the Euromoney magazine, the best bank in supply chain financing area within 2020 Transaction Banking Awards of the Banker magazine, the best bank in area of transaction services provision in CEE region within 2020 Awards for Excellence of the Euromoney magazine, and the best transaction services provider within 2019 Transaction Banking Awards of the Banker magazine. In 2020, the Issuer was awarded the first place in category Services: Philanthropy Advisory in the survey of the Euromoney magazine. All the mentioned prizes have been awarded in respect of the Czech Republic region.

Mortgages

The Issuer regularly receives awards for its products, for example first place in the Finparáda.cz Financial Product of the Year 2019 survey or second place for the same survey in 2020. The Issuer continues to respond very flexibly to market demand regarding the length of interest rate fixation and their values. The Issuer's new product, refinancing up to two years in advance, has met with considerable success from clients who have concerns about rising interest rates and who demand new rate significantly in advance (for this reason, the Issuer registers growth of about one-third). Very good responses have also been received in relation to the Free Securities Account for mortgage loans (primarily from clients who value having this service under "one roof", without a need to involve third parties (e.g. external lawyers)), which allows clients to use their loan more safely – in the case a real property is being purchased, the funds are transferred to the account of a seller upon the mortgage loan drawdown. Clients who prefer more cautious approach (i.e. prioritize safe transfer of ownership rights) usually use some form of a security (or escrow) account to which the mortgage funds are transferred and released to the account of a seller once the transfer of ownership rights is completed. In the process area, the Issuer highlights the redesign of the internal processes during the approval of the mortgage, which enabled the processing of a record amount of loans in 2020 without significant effects on the processing time.

Payment cards

Since 2015, the Issuer has been offering a loyalty programme for its clients in the Czech Republic, called "U-šetřete", which provides tailored offers, such as discounts with many partner merchants, based on the history of card transactions. The programme was created in line with the Issuer's strategy of customer care. To use these benefits, clients only have to register online or at a branch once and pay using a card issued by the Issuer at the merchants' point-of-sale (**POS**) terminals. Since 2018, the Issuer has been offering the same programme in the Slovak Republic under the name "U-šetrite".

In 2019, the Issuer made it possible for clients to pay by mobile phone via Apple Pay for Mastercard and Visa credit and debit cards, followed by the launch of Google Pay for Mastercard and Visa cards later that year. Apple Pay and Google Pay can be used to withdraw cash from ATMs with contactless technology in addition to fast and convenient payments.

In 2020, the Issuer entered into a strategic agreement with Visa and replaced most of its payment card portfolio with new Visa cards with an innovative design.

Payment terminals

The Issuer implemented its *mPOS* product, a portable electronic device that allows the acceptance of payment cards and that is connected to the authorisation centre through a smartphone or tablet, thanks to which it received the Innovative Bank of the Year award by MasterCard in 2019. Owing to the solution linking payment terminals with smartphones or mobile phones, the number of terminals installed by the Issuer has increased by hundreds.

The Issuer is one of the leaders in the field of self-service payment terminals. In 2019, the Issuer was the first to install self-service charity kiosks. This will speed up the donation process, attract more donors and connect charity and modern technology.

Insurance

In 2018, the UniCredit Group signed two exclusive strategic partnership agreements with Allianz and Generali for the distribution of insurance products for individuals and small-businesses in CEE. The partnerships aim to facilitate a broadened product range for the UniCredit Group's clients.

In 2020, the Issuer, in cooperation with strategic partners, launched new variants of insurance on the ability to repay loan products on the Czech market and also introduced unit-linked life insurance products in both markets.

Factoring

Since 2018, the Issuer in cooperation with its subsidiary UniCredit Factoring CZ has been offering a reverse factoring product. This product is aimed at companies with a large number of smaller suppliers that wish to better manage their supplier-customer chains and streamline and rationalise the management of their liability cycle. It is

based on a software platform that interconnects suppliers with customers and allows the participants to optimise and consolidate their working capital and indebtedness by assigning their receivables to a factoring company.

Recent Development of Distribution Channels

Branches

The Issuer permanently continues to improve its retail branches in the Czech Republic and in Slovakia to make the retail network more efficient and accommodating and to provide clients with more comfortable and better accessible services. Several branches of the Issuer have undergone complete renovation and selected branches have been merged in order to increase the efficiency of the Issuer's branch network and its sustainability in terms of distance between branches.

Thanks to the ongoing development and penetration in digital client service, the Issuer merged several branches in 2019 and 2020 and transformed 8 branches in Slovakia into so-called tied financial agents, which are similar to the successfully implemented concept of franchise outlets in the Czech Republic.

In total, the Issuer operated a wide network of 108 branches and 421 ATMs throughout the Czech Republic and Slovakia as of 31 December 2020. The issuer piloted 20 ATMs in Slovakia with the possibility of depositing cash and plans to deploy this functionality in other locations.

The Issuer currently does not intend to extend its network of traditional branches and intends to focus on digital distribution channels and new ways of serving its clients, which may result in further streamlining of the Issuer's network of traditional branches.

Digital channels

In spring of 2020, the Issuer introduced a new, digital multi-channel platform, which brings simple, paperless processes for the most important retail banking products for branches, third partie (brokers and financial advisors) and for clients online. The platform mainly focuses on sales and self-service processes. Its development is mostly done in line with the agile methodology. First pilot of account opening and new customer onboarding was launched in November 2020. Since then, the Issuer has introduced initial parts of mortgage and consumer loan processes. Implementation of the platform is planned in other CEE countries of the UniCredit Group in 2021. At the same time, the trend of dividing electronic channel solutions for individuals and business needs continues.

Principal Markets

The Issuer operates primarily in the Czech and Slovak markets and is present in all regions of the Czech Republic and Slovakia. It is a universal bank and offers services to both foreign and domestic retail clients, SMEs, large corporate customers, institutional clients, public sector clients and high net worth individuals, in both CZK, EUR and other foreign currencies.

Competition

The Issuer faces increasing competition in the banking and financial services market in the Czech Republic and Slovakia. Such competition has become more intense as a result of the opening of the financial services market following the accession of the Czech Republic and Slovakia to the EU on 1 May 2004. The Issuer competes with a large number of other banks, financial services firms and a wide range of insurance companies. Moreover, many financial institutions in the Czech and Slovak markets are expanding the range of services they offer.

Currently, the Czech and Slovak banking markets are highly concentrated. Although there are only a few competitors comparable in size and scope of business to the Issuer, the Issuer may also face increased competition from less established banks and financial institutions or new entrants seeking to offer more attractive interest or deposit rates or other aggressively-priced products to penetrate the market. Several low-cost banks primarily focused on providing internet-based banking services also operate on the Czech and Slovak banking markets.

The Issuer's principal competitors are Československá obchodní banka, a. s., Komerční banka, a.s., Česká spořitelna, a.s. and Raiffeisenbank, a.s. in the Czech Republic and Slovenská sporiteľňa, a.s., VÚB, a.s., Tatra banka, a.s. and Československá obchodná banka, a.s. in Slovakia.

The year of 2021 marks a consolidation trend in the Czech banking sector, including (i) the acquisition of Equa Bank a.s. by Raiffeisen Bank International AG (through Raiffeisenbank a.s.), which is expected to close around the end of the second quarter of 2021, (ii) re-contracting of retail customers of ING Bank N.V. by Raiffeisenbank a.s., (iii) acquisition of Wüstenrot – stavební spořitelna a.s. and Wüstenrot hypoteční banka a.s. by MONETA Money Bank, a.s. and (iv) the proposed merger of MONETA Money Bank, a.s. and Air Bank a.s. For risks related to competition, see section Risk Factors – The Issuer competes against several large international financial institutions and may face increased competition from less established banks or new entrants.

As of 31 December 2020, the Issuer's market share in the Czech Republic and Slovakia was 9.02 per cent. and 7.30 per cent., respectively, measured by the amount of total loans provided, according to data of the CNB's ARAD database and data of the NBS. As of 31 December 2020, the Issuer is the fourth largest bank in the Czech Republic with a market share of 10.86 per cent. in terms of profit after tax and 8.14 per cent. in terms of total assets in the Czech Republic, according to the Issuer's data and the CNB's ARAD database. As of 31 December 2020, the Issuer's market share in terms of liabilities to clients accounted for 6.39 per cent. in the Czech Republic and 5.02 per cent. in Slovakia, according to the Issuer's data.

The following table provides non-consolidated information on the Issuer's market share in the Czech Republic and Slovakia:

	As of and for the year ended 31 December 2020		
	Banking Sector	**Issuer**	**The Issuer's Share**
	(in CZK millions)		*(per cent.)*
Czech Republic and Slovakia			
Profit after tax	47,514	5,162	10.86
Total assets	7,965,122	648,590	8.14
Czech Republic			
Receivables from clients[(1)]	3,277,397	295,665	9.02
Liabilities to clients[(1)]	4,901,014	313,024	6.39
Slovakia			
Receivables from clients[(2)]	1,685,735	123,029	7.30
Liabilities to clients[(2)]	1,655,037	83,093	5.02

Source: Issuer's Annual Report for the year 2020.
Notes:
(1) Pursuant to the CNB's methodology, receivables from clients and liabilities to clients are only included for the Czech part of the bank.
(2) Converted using the CZK/EUR exchange rate as of 31 December 2020 at 26.245. Data for UniCredit Bank Czech Republic and Slovakia, a.s., pobočka zahraničnej banky.

Property and Equipment

As of 31 December 2019, the Issuer held tangible assets and assets arising from a right of use and investments in real estate (especially assets provided under operating leases and land plots and buildings arising from a right of use) in the residual value of CZK6,777 million, of which real estate owned for business purposes had a book value of CZK849 million, real estate owned for investment purposes had a book value of CZK371 million and real estate arising from a right of use had a book value of CZK1,963 million.

As of 31 December 2020, the Issuer held tangible assets and assets arising from a right of use and investments in real estate (especially assets provided under operating leases and land plots and buildings arising from a right of use) with a residual value of CZK7,239 million, of which real estate owned for business purposes had a book value of CZK860 million, real estate owned for investment purposes had a book value of CZK360 million and real estate arising from a right of use had a book value of CZK2,598 million.

Material Contracts

As of the date of this Base Prospectus, the Issuer is not party to any material contracts outside its ordinary course of business, which any such contracts which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to Mortgage Covered Bondholders in respect of the Mortgage Covered Bonds being issued.

Disputes

As of 31 December 2020, the Issuer assessed current legal disputes against it. Adequate reserves have been made for these litigations. In addition to these disputes, the Issuer has been exposed to lawsuits arising in the ordinary course of business. The Issuer does not expect that the outcome of these court proceedings will have a significant effect on the Issuer's financial position. The Issuer does not conduct, nor has it conducted any legal, administrative or arbitration proceedings in the last 12 months, which in its opinion could have, or has had in the last 12 months, a significant effect on the financial situation or profitability of the Issuer or the UniCredit Group, nor any such proceedings is threating.

MANAGEMENT AND EMPLOYEES

The Issuer is a Czech joint-stock company operating under Czech law. Its bodies are the General Meeting, Board of Directors and Supervisory Board. The General Meeting is the supreme body of the Issuer, which takes the most significant decisions regarding the Issuer, such as increases and decreases of share capital, appointments to the Issuer's Supervisory Board or approval of its financial statements. The rights and functions of the General Meeting are currently exercised by the Issuer's sole shareholder (see section Description of the Issuer – Sole Shareholder– Sole Shareholder above for more information). The Board of Directors represents the Issuer in all matters and is charged with its day-to-day business management, while the Supervisory Board is an independent body responsible for the supervision of the Issuer's activities and of the Board of Directors in its management of the Issuer and which resolves on matters defined in the Issuer's articles of association (the **Articles of Association**). Under the Czech act on business corporations (Act No. 90/2012 Coll., as amended, the **Czech Corporations Act**), the Supervisory Board may not make management decisions. However, certain matters, specified below, are subject to the approval of the Supervisory Board. In addition, the Issuer has established a special supervisory body, the audit committee.

Board of Directors

The Board of Directors is the governing statutory body of the Issuer, which directs its operations, represents it in all matters and is charged with its day-to-day business management and all matters other than those that are within the responsibility of the Supervisory Board, audit committee or General Meeting pursuant to the Articles of Association or the applicable laws. Nobody is authorized to give the Board of Directors instructions regarding the business management of the Issuer, unless the Czech Corporations Act or other laws or regulations provide otherwise.

Pursuant to the Issuer's Articles of Association, the Board of Directors has nine members: the chairman, the vice-chairman and seven ordinary members. All members of the Board of Directors are elected by the Issuer's Supervisory Board for a term of three years, with possible re-election. The Board of Directors makes decisions by resolutions adopted at its meetings, which are held at least on a monthly basis.

The work address of all members of the Board of Directors is at Želetavská 1521/1, Prague 4, Czech Republic, except for Mr. Štrokendl, whose work address is at Šancová 1/A 813 33 Bratislava, Slovakia.

Set out below are members of the Issuer's Board of Directors as of the date of this Base Prospectus:

Name	Background
Jakub Dusílek *Chairman and Chief Executive Officer*	Mr. Dusílek has been the chairman of the Board of Directors since 1 April 2019. He is responsible for the Issuer's overall results and for managing the chief operating officer, the chief risk officer and the finance, human resources and legal areas. Mr. Dusílek started his professional career in the UniCredit Group in 2003 when he became a local branch manager. Recently, he held the position of the retail banking division director and the director of strategic development. From 2011 to 2012, he was the chairman of the Board of Directors of UniCredit Leasing SK. From 2016 to 2018, he gained international experience at UniCredit Bank Romania. Mr. Dusílek graduated from the Faculty of Law, Masaryk University in Brno and from the Czech Technical University in Prague. He received an MBA degree from Hallam University in Sheffield. He was born on 17 December 1974.
Marco Iannaccone	Mr. Iannaconne has been a member of the Board of Directors since 1 April 2020. He is also the current vice-chairman of the Board of Directors and the General Manager of the Issuer. He is responsible for

Vice-Chairman and General Manager

managing and supervising the Issuer's business activities and co-ordinating the activities of the Issuer's departments.

Mr. Iannaccone graduated in economy at University of Venice and received an MBA degree at Clemson University, USA. Before starting his career in banking in 1999, where he gained rich experience in private or corporate banking, he had been working in prestigious consulting companies. He joined UniCredit Group three years later and held a number of senior managerial positions including Strategy, Business Development or CEE Mergers & Acquisitions. He then assumed the position of CFO and Vice-chairman of the Management Board at Bank Pekao in Poland that used to be part of our Group that time. From 2016 he was a Deputy CEO at UniCredit Bank Hungary. Before joining the Issuer, he served as Executive Director and COO at Yapi Kredi in Turkey.

He was born on 26 August 1970.

Alen Dobrić

Member and Chief Risk Officer

Mr. Dobrić has been a member of the Board of Directors since 1 April 2020. He is the chief risk officer of the Issuer and is responsible for preparing its credit policy, maintaining the quality of its loan portfolio, managing all activities in the area of credit risks and adhering to the limits set by banking regulations, as well as for managing activities in the area of market and operational risks.

Mr. Dobrić graduated in economics at the University of Belgrade and started his career in banking in 2003. He joined UniCredit Group two years later, namely UniCredit Bank Serbia, where he started as Credit Risk Manager for corporate customers. Gradually, he moved to the position of Head of Corporate Underwriting Department. In 2012, he was appointed a Chief Risk Officer as well as a member of the Bank's Management Board. In 2017, after almost twelve years, he left for Hungary, where he held the same position until now at UniCredit Bank Hungary.

He was born on 17 June 1980.

Slavomír Beňa

Member and Director of the Corporate and Investment Banking Segment

Mr. Beňa has been a member of the Board of Directors since 1 October 2018. He is the director of the Issuer's Corporate and Investment Banking Segment.

He has been with the UniCredit Group for over 22 years. In 2005, he was appointed as head of markets for HVB Bank Serbia. Thereafter, he joined UniCredit Slovenia and subsequently moved to UniCredit in Vienna in 2010, where he worked as head of UniCredit's Financial Institutions Group. Prior to assuming his current position, he worked as a corporate and investment banker for the Issuer from June 2018.

He was born on 22 April 1976.

Tomáš Drábek

Member and Director of the Retail and Private Banking Segment

Mr. Drábek has been a member of the Board of Directors since 1 February 2018. He is the director of the Issuer's Retail and Private Banking Segment.

He has worked in banking since 2001, of which fifteen years in the UniCredit Group. From 2008 to 2011, he held the position of head of real estate and subsequently head of retail marketing & segments. In 2011, he was named head of retail for Moravia region, and a year later, he became head of franchising and alternative distribution. From 2015 to 2016, he worked for UniCredit Bank Austria AG in Vienna as head

	of market growth initiatives, before coming back to Prague to work as head of retail Prague market. He was born on 14 January 1978.
Massimo Francese *Member and Chief Financial Officer*	Mr. Francese graduated in Economics in Milan and began his banking career in 1991 at Credito Italiano, where he held several positions in organization, planning and control functions. He joined UniCredit group in 2005 as Head of Group Planning. From 2007 to 2012, he worked first as CFO and later as Head of Value Management & Planning for Consumer Finance business. In 2012, he held the position of CEO and Chairman of the Management Board at UniCredit Consumer Financing EAD in Sofia. From there, after three and a half years he went to Istanbul, where he held the post of CFO and Member of the Executive Committee of Yapı Kredi Bank. He was born on 4 November 1965.
Miroslav Štrokendl *Member and Director of the Slovak Branch*	Mr. Štrokendl has been a member of the Board of Directors since 1 December 2013. He is the director of the Slovak branch of the Issuer. He has over 25 years of experience in the banking industry. In 1990, he joined Polnobanka in Bratislava, where he held various positions including head of credit risk and head of work out. In 2007, he became head of mid corporates at UniCredit Bank Slovakia and member of its Board of Directors in 2008. In 2012, he was appointed chairman of the Board of Directors and chief executive officer of UniCredit Bank Slovakia, a position which he held until the merger of UniCredit Bank Slovakia with the Issuer. He was born on 12 November 1958.
Hana Čitbajová *Member of the Board of Directors and Head of the Human Resources Department*	Mrs. Čitbajová has been a member of the Board of Directors since 1 January 2021. She has been a part of the UniCredit Group since 2003. In her professional career, she has held various positions focused on human resources management within the UniCredit Group in Milan, Vienna and Bratislava. Since June 2019, she has held the position of HR Director at the Issuer She was born on 30 March 1980.
Stefano Gison *Member of the Board of Directors and Head of Global Banking Services*	Mr. Gison has been a member of the Board of Directors since 1 January 2021. He is an experienced manager in the field of strategic and project management. Since 2014, he has been a member of the Board of Directors of Unicredit Bank d.d. in Bosnia and Herzegovina to the position of Head of GBS Division. Since 2016, he has held the same position at Zagrebacka Bank in Croatia. Since January 2020, it has held the position of the group COO. He was born on 9 March 1973.

Supervisory Board

The Supervisory Board is an independent body of the Issuer, responsible for the supervision of its activities and of the Board of Directors in its management of the Issuer. It resolves on matters defined in the Czech Corporations Act and the Articles of Association. Under the Czech Corporations Act, the Supervisory Board may not make management decisions. However, certain matters are subject to the approval of the Supervisory Board.

The powers of the Supervisory Board include, among others, the power to (i) elect members of the Board of Directors, (ii) supervise the Board of Directors in its management of the Issuer's business activities, (iii) inquire into the Issuer's financial matters and review its financial statements, (iv) grant prior consent to appointment or dismissal of proxy holders, and (v) review and the report on Issuer's business activity and its assets and submit its opinion to the General Meeting regarding the same.

Pursuant to the Issuer's Article of Association, the Supervisory Board has nine members, six of which are elected by the General Meeting, while the remaining three are elected by the Issuer's employees, all for a term of three years. The Supervisory Board meetings are held no less than every three months.

The Supervisory Board also established three committees, each consisting of three members of the Supervisory Board: (i) the remuneration committee which prepares draft resolutions on remuneration and annually approves the principles for remuneration of members of the Board of Directors, (ii) the appointment committee which is charged with nominating candidates for vacancies on the Board of Directors, and (iii) the risk management committee which examines the approach to risk management, the risk management strategy and the level of acceptable risk, as well as whether valuation of assets, liabilities and off-balance sheet items reflected in the offer to the clients fully complies with the Issuer's business model and its risk management strategy.

Set out below are members of the Issuer's Supervisory Board as of the date of this Base Prospectus:

Jiří Kunert	Chairman of the Supervisory Board
Work Address:	Želetavská 1521/1, Prague 4, Czech Republic
Member since:	1 July 2019
Niccolò Ubertalli	Vice-Chairman of the Supervisory Board
Work Address:	Piazza Gae Aulenti, Tower A, 20154 Milano, Italy
Member since:	29 April 2020
Andrea Vintani	Member of the Supervisory Board
Work Address:	Piazza Gae Aulenti, Tower A, 20154 Milano, Italy
Member since:	31 October 2019
Eva Mikulková	Member of the Supervisory Board
Work Address:	Želetavská 1521/1, Prague 4, Czech Republic
Member since:	14 July 2020
Klára Čapková	Member of the Supervisory Board
Work Address:	Želetavská 1521/1, Prague 4, Czech Republic
Member since:	14 July 2020
Jana Szászová	Member of the Supervisory Board
Work Address:	Šancová 1/A, 813 33 Bratislava, Slovakia
Member since:	1 June 2020
Benedetta Navarra	Member of the Supervisory Board
Work Address:	Graziadei Studio Legale, Via A. Gramsci, 54, 00197 Roma
Member since:	1 June 2020
Goffredo Guizzardi	Member of the Supervisory Board
Work Address:	Piazza Gae Aulenti, Tower A/21st floor, 20154 Milano, Italy
Member since:	1 March 2020
Wolfgang Schilk	Member of the Supervisory Board

Work Address:	Piazza Gae Aulenti, Tower A/21st floor, 20154 Milano, Italy
Member since:	1 March 2020

Audit committee

The audit committee is an independent committee tasked with overseeing, monitoring and advising on matters regarding accounting and financial reporting, internal control, audit and risk management, external audit, and compliance with applicable laws and the Issuer's regulations.

The audit committee consists of three members appointed by the General Meeting from among the Supervisory Board members or independent persons for a term of three years. The majority of the audit committee members must be independent from the Issuer and must have at least three years of accounting or statutory auditing experience.

Set out below are members of the Issuer's audit committee as of the date of this Base Prospectus:

Marco Radice	Chairman of the audit committee
Work Address:	Via S. Simpliciano, 5, 20121 Milano, Italy
Commencement of Current Term of Office:	27 October 2020
Benedetta Navarra	Member of the audit committee
Work Address:	Piazzale Dino Viola 1, Rome, Rome 00128, Italy
Commencement of Current Term of Office:	24 September 2018
Wolfgang Schilk	Member of the audit committee
Work Address:	Piazza Gae Aulenti, Tower A/21st floor, 20154 Milano, Italy
Commencement of Current Term of Office:	29 April 2020

Conflicts of Interest at the Level of Administrative, Management and Supervisory Bodies

The Issuer is not aware of any possible conflicts of interest between the duties of the members of its Board of Directors, Supervisory Board and audit committee owed to the Issuer and their private interests or other duties. The Issuer has prepared an ethics code based on guidelines prepared by the UniCredit Group that stipulates how to proceed in case of a conflict of interest.

Principal Activities Outside of the Issuer

The following table provides an overview of principal activities significant to the Issuer, performed by members of the Issuer's bodies outside of the Issuer (beyond the positions outlined above), as of the date of this Base Prospectus:

Members of the Board of Directors	***Activity***
Jakub Dusílek	Member of the Supervisory Board of UniCredit Leasing CZ, a.s., member of the presidium of the Czech Banking Association, member of the Supervisory Board of UniCredit Leasing Slovakia, a.s.
Marco Iannaccone	Chairman of the Supervisory Board of UniCredit Leasing CZ, a.s.
Alen Dobrić	Member of the Supervisory Board of UniCredit Leasing Slovakia, a.s., vice chairman of the Supervisory Board of UniCredit Factoring Czech Republic and Slovakia, a.s.
Slavomír Beňa	Vice chairman of the Supervisory Board of UniCredit Leasing CZ, a.s., chairman of the Supervisory Board of UniCredit Factoring Czech Republic and Slovakia, a.s.,

	member of the Supervisory Board chairman of the Supervisory Board of UniCredit Leasing Slovakia, a.s.
Tomáš Drábek	Member of the Supervisory Board of Amundi Czech Republic, investiční společnost, a.s. and Amundi Czech Republic Asset Management, a.s.
Massimo Francese	Member of the Supervisory Board of UniCredit Leasing CZ, a.s., Member of the Board of Directors of the Italian-Czech Mixed Chamber of Commerce and Industry
Miroslav Štrokendl	Chairman of the Board of Directors in UniCredit Leasing Slovakia, a.s.
Hana Čitbajová	---
Stefano Gison	Head of UniCredit Services S.C.p.A. organizačná zložka Slovensko
Supervisory Board members	
Jiří Kunert	Vice-chairman of the Committee of the Association of Friends of Musical Talents, chairman of the Supervisory Board of the National Development Fund of the SICAV a.s.
Niccolò Ubertalli	Member of the Board of Directors of YAPI VE KREDIBANKASI, Vice-chairman of the supervisory board of UniCredit Bulbank; Co-CEO:Comm Banking CEE in UniCredit Spa, member of the Supervisory Board of UniCredit Bank S.A.
Andrea Vintani	---
Wolfgang Schilk	Member of the Board of Directors of YAPI VE KREDI BANKASI AS, member of the Board of Directors of UniCredit Bank Austria AG, member of the Supervisory Board of Zagrebacka Banka D.D.
Benedetta Navarra	Member of the Board of Directors of A.S. Roma SpA, member of the Supervisory Board of UniCredit Bulbank, member of the audit committee at Poste Italiane SpA, member of the audit committee at UniCredit SpA, member of the audit committee of Buddy servizi molecolari SpA, member of the audit committee at LVenture Group and member of the audit committee at Sviluppo HQ Tiburtina Srl
Goffredo Guizzardi	---
Klára Čapková	---
Jana Szászová	Chairwoman of the Basic Organization of the Trade Union at UniCredit Bank Czech Republic and Slovakia
Eva Mikulková	Member of the statutory body of the Trade Union of Banking and Insurance Employees
Audit committee members	

Marco Radice	Chairman of the Supervisory Board of AO UniCredit Bank, chairman of audit committee of UniCredit Bank Serbia JSC and chairman of audit committee of UniCredit Bulbank AD
Benedetta Navarra	Member of the Board of Directors of A.S. Roma SpA, member of the Supervisory Board of UniCredit Bulbank, member of the audit committee at Poste Italiane SpA, member of the audit committee at UniCredit SpA, member of the audit committee of Buddy servizi molecolari SpA, member of the audit committee at LVenture Group and member of the audit committee at Sviluppo HQ Tiburtina Srl
Wolfgang Schilk	Member of the Board of Directors of YAPI VE KREDI BANKASI AS, member of the Board of Directors of UniCredit Bank Austria AG, member of the Supervisory Board of Zagrebacka Banka D.D.

Employees

The Issuer puts great attention to the choice of its employees, to their further education and personal development, for it acknowledges the importance of human resources. The training of the Issuer's employees is targeted, in particular, at professional knowledge and communication skills.

In the year ended 31 December 2020 and 2019, the Group's average number of full-time employees was 3,347 and 3,249, respectively.

RISK MANAGEMENT

Introduction

The Group is exposed to the following types of risk:

- credit risk;
- market risk; and
- operational risk.

The Issuer's Board of Directors is responsible for, and approves, the overall strategy of risk management, which is reviewed on a regular basis. The Issuer's Board of Directors has established the ALCO, credit committee and committee for operational risk management in order to monitor and manage particular risks for its specific areas. These committees report to the Issuer's board on a regular basis.

The principal part of the Group is the Issuer; for this reason, the description below relates primarily to the risk management of the Issuer. For description of the risk management in the Issuer's direct and indirect subsidiaries, see section Risk Management in Subsidiaries below.

Credit Risk

The Issuer is exposed to credit risks as a result of its trading activities, providing loans, hedging transactions, investment and intermediation activities. Failure of the Issuer's customers to meet repayments on their loans could adversely affect the Issuer's finances and therefore its ability to pay interest and/or principal on the Mortgage Covered Bonds. Credit risk is managed at two levels: at the level of the individual client (transaction) and at the portfolio level. The credit underwriting, credit operations, and strategic credit risk management departments are directly responsible for credit risk management. All are organizationally independent of the Issuer's business segments and directly accountable to the member of the Issuer's Board of Directors responsible for risk management. The strategic credit risk management department is responsible for directing the Issuer's credit policy, which defines the general principles, methods and instruments used for the purpose of identification, measurement and management of credit risk, while the specific risk parameters are defined in the credit strategy for the particular year. The Issuer defines within its internal guidelines approval competencies for credit deals, including the definition of responsibilities and competencies of the credit committee.

Credit Risk Management at Individual Client Level

The credit risk at the client level is managed by analysing the client's financial standing and setting limits on the credit extended. The analysis is focused on, among other things, the client's standing in the relevant market, rating of the client's financial statements and prediction of future liquidity. The result of this analysis is, among other things, to establish a rating that reflects the probability of default by a client and takes into account quantitative, qualitative and behavioural factors. The financial standing analysis is carried out, and a credit limit and rating set, both before credit is granted as well as regularly during the course of the credit relationship with the client.

The internal rating system comprises 26 rating levels (1 to 10 with the use of "+" and "–" in several rating classes: 1+, 1, 1−, 2+, etc., where 1+ is the highest rating class). This system assesses not only the client's possible delay in making loan payments, but also, among other things, the client's financial ratios and indicators (such as the structure of, and relationships between, the balance sheet, income statement and cash flows), quality of management, ownership structure, market position, quality of reporting, production equipment and account-use history and behaviour. Clients with receivables categorised as in default are always assigned to a rating class 8-, 9 or 10.

For receivables from individuals, the ability of the client to fulfil his or her obligations is determined using a standardised system of credit scoring based on risk-relevant characteristics (credit application scoring). The Issuer sets and regularly updates the probability of client default for individuals using the behavioural scoring method. A client's final rating combines both application and behavioural components.

As an additional source of information for assessing a client's financial standing, the Issuer uses information from credit registries, mainly the CBCB–Czech Banking Credit Bureau, a.s., the CNB Central Credit Registry, and the SOLUS association registry.

In accordance with its credit risk management strategy, the Issuer requires collateral for credit to be provided before the credit is granted (according to the client's financial standing and the nature of the transaction). The Issuer considers the following to be acceptable types of collateral: cash, prime securities, a guarantee from another reputable entity (including bank guarantees) and security over real estate. In determining the realisable value of collateral, the Issuer principally takes into consideration the financial health of the party providing collateral and the nominal value of the collateral, i.e. expert appraisals made by a special department of the Issuer. The net realisable value of the collateral is determined by applying to the nominal value a correction coefficient, which reflects the Issuer's ability to realize the collateral if and when necessary.

Credit Risk Management at the Portfolio Level

Credit risk management at this level involves mainly loan portfolio reporting including analyses and monitoring of trends in certain credit sub-portfolios. The Issuer monitors its overall credit risk position by taking into account all on-balance and off-balance sheet exposures and quantifying the expected loss from its credit exposure. The expected loss is determined based on internal estimates of risk parameters, i.e., the probability of default (PD), exposure at default (EaD) and loss given default (LGD). The Issuer regularly monitors its credit exposure to individual sectors of the economy, countries, or economically connected groups of debtors. The Issuer assesses the concentration risk of the loan portfolio on a regular basis and establishes concentration limits as appropriate in relation to specific industries, countries, or economically connected groups of debtors.

Classification of Receivables, Impairment and Provisions

The Issuer categorises its receivables arising from financial activities in accordance with international accounting standards, namely IFRS 9. The issuer categorizes its receivables as receivables in default (**Stage 3**) and performing receivables (Stage 1 and Stage 2),

The Issuer regularly assesses whether any possible permanent decrease in the balance sheet value of receivables has occurred. Where the Issuer identifies such a decrease, it creates provisions for each account receivable or portfolio of receivables, respectively, in accordance with IFRS.

Impairment of Receivables in Default

The Issuer recognises the impairment of an individual loan in default if the loan's carrying amount is less than recoverable amount and the Issuer does not write off such amount (fully or partially). The Issuer assesses recoverable of the amount of all receivables in respect of which the debtors are in default (i) individually if the amount of the receivable exceeds the equivalent of EUR1 million or (ii) collectively using recovery rate derived from the relevant model reflecting historic recovery experience. The Issuer writes off a receivable when it does not expect any income from that receivable or from realising collateral related to such receivable.

The Issuer calculates an impairment loss arising from individual receivables in the following manner: (i) for individually assessed receivables, the impairment loss equals to the difference between the carrying amount of such receivables and the discounted value of estimated future cash flows and (ii) for collectively assessed receivables equal to the lifetime expected credit loss determined on portfolio basis.

Impairment of Performing Receivables

In alignment with IFRS 9, the Issuer classifies its performing loan portfolio into so-called stages. If no material deterioration in the creditworthiness has been observed since the inception date of the respective receivable (**Stage 1**), the Issuer calculates an impairment loss as the loss expected until the maturity of the receivable but within the following one year at the latest (1-year expected loss). If a material deterioration of the creditworthiness has been observed, yet the respective receivable still has a performing status (**Stage 2**), the Issuer calculates an impairment loss as the loss expected until the final maturity of the receivable (lifetime expected loss).

Provisions for Off-Balance Sheet Items

The Issuer recognizes such provisions in the same method as used in recognizing impairment losses on receivables, taking into account additional factors relating to off-balance sheet items.

Forbearance

The Issuer records in the forbearance category loan receivables for which there was a change in the originally agreed repayment conditions after the provision (especially postponement of instalments, temporary reduction of instalments, extension of the final maturity date, etc.). These cases are recorded in the Issuer's balance sheet in the category of credit receivables without default of the debtor and in the category of credit receivables with default of the debtor.

In case the payment conditions of loan receivables are changed after the loan is granted (such changes include mainly payment deferrals, temporary payment reductions or postponements of the ultimate due date), the Issuer classifies such loan receivables as forbearance and generally recognizes them in the balance sheet as loan receivables with a client's default. However, following a robust assessment, the Issuer may categorize them as loan receivables without a client's default, mainly in cases when the reasons for the change of the payment conditions are not serious and the Issuer does not anticipate incurring a loss arising from the future collection of such a receivable.

The majority of loan receivables classified as receivables without a client's default are receivables originally classified as receivables with a client's default, which were subsequently re-classified, provided that newly-agreed conditions in line with the Issuer's internal rules are fulfilled.

Probation period denotes the period during which the client is designated as forborne. This period lasts no less than two years and commences on the date of the end of client's default or of the forbearance (in case the forbearance was without the client's default). In addition, this period can be terminated only if the client fulfils the agreed conditions in a due and timely manner, is not in delay for more than 30 days. Due to the size of the forbearance portfolio and the procedures and practices describe above, the Issuer does not identify serious risks arising from this portfolio. Also, a portion of receivables whose payment conditions were changed in order to overcome the client's deteriorated financial position are later reclassified as without default (recognized in the Issuer's balance sheet as non-default forbearance – referred to above).

Recovery of Receivables

The Issuer has established a credit workout and restructuring unit to deal with the recovery of loans in respect of receivables considered to be at risk. This unit aims to achieve one or more of the following goals:

(a) "revitalisation" of the credit relationship, restructuring and subsequent reclassification to standard receivables;

(b) full repayment of the loan;

(c) minimisation of the loss from the loan (e.g. realization of collateral and sale of receivable with a discount); and

(d) prevention of further losses from the loan (comparison of future income versus expenses).

Market Risk

Trading

The Issuer holds trading positions in certain financial instruments, including financial derivatives. The majority of the Issuer's business activities are conducted according to the requirements of its customers. Depending on the estimated demand of its customers, the Issuer holds a certain supply of financial instruments and maintains access to the financial markets through the quoting of bid and offer prices and by trading with other market makers. These positions are also held for the purpose of speculation on the expected future development of financial markets. The Issuer's business strategy is thus affected by speculation and market making and its goal is to

maximise the net income from trading. However, if the positions held by the Issuer miss the expected market developments, this may adversely affect the Issuer's financial results and its ability to make payments of interest income and/or the nominal value of the Mortgage Covered Bonds.

The Issuer manages the risks associated with its trading activities at the level of individual risks and individual types of financial instruments. The basic instruments used for risk management are limits on volumes applicable to individual transactions, limits for portfolio sensitivity (basis point value, or **BPV**), stop loss limits and Value at Risk (**VaR**) limits. The quantitative methods applied to risk management are included in the following section Market Risk Management.

The majority of derivatives are negotiated on the OTC market due to the non-existence of a public market for financial derivatives in the Czech Republic.

Market Risk Management

Described below are selected risks to which the Issuer is exposed through its trading activities, principles of managing positions resulting from these activities, and also management of these risks. The procedures that the Issuer uses to measure and manage these risks are described in detail in the following paragraphs.

The Issuer is exposed to market risks which flow from its open positions mainly in interest rate and foreign currency instruments that are sensitive to changes in financial market conditions. The Issuer's risk management concentrates on management of the total net exposure resulting from the Issuer's structure of assets and liabilities. The Issuer monitors interest rate risks by observing the sensitivity of particular assets or liabilities in individual time periods, which is expressed by change in the present values of assets and liabilities if interest rates increase by 1 basis point. For hedge accounting purposes the Issuer identifies specific assets/liabilities causing this incongruity in a way to meet the accounting criteria for the application of hedge accounting.

Value at Risk

VaR represents the main method for managing the market risks arising from the Issuer's activities. VaR represents the potential loss from an unfavourable movement on the market within a certain time period at a certain confidence level. The UniCredit Group determines VaR through the historical simulation (250 days history) of a wide range of potential scenarios on the financial markets. VaR is measured based on a 1-day holding period and a confidence level of 99 per cent. The assumptions upon which the VaR model is based have the following limitations:

- The 1-day holding period pre-supposes that all the positions can be closed during a single day. This assumption need not always apply on less liquid markets.

- The 99 per cent. confidence level does not reflect all possible losses that can occur at this confidence level.

- VaR is calculated from the positions at the end of the trading day and does not consider the positions which can be opened "intra-day".

- Using historical data as a basic determinant of possible future development does not necessarily cover all of the possible future scenarios, especially crisis scenarios.

The VaR calculation divides the calculated risk into an interest rate portion and a credit portion. The credit portion of the VaR is calculated based on the volatility of the credit spread between securities and the zero-risk interest rate. For this purpose, the yield curves of particular issuers, industries, or groups of issuers with identical rating are downloaded into the system for market risk management. Specific securities are mapped to these yield curves and the volatility of the credit spread is calculated.

The Issuer uses VaR to measure interest rate risk, foreign currency risk and other types of risk connected with negative movements in the prices of market factors (e.g. spread risk and option risk). The structure of VaR limits is approved by the ALCO, and at least once a year the structure and the amount of the limits are revised in accordance with the Issuer's needs and developments on the financial markets. The results of VaR calculation are published daily for selected users (Board of Directors, plus selected employees of the financial markets

department, market risk department, assets and liabilities management unit, and the GMRC (Group Market Risk Committee) of the parent bank and sub-holding).

Back Testing – Value at Risk

The results of this model are back-tested and compared with the results of the actual changes in interest rates on the financial markets on a daily basis. If the Issuer identifies any inaccuracies, the model is adjusted to be consistent with current developments in the financial markets.

Interest Rate Risk

The Issuer is exposed to interest rate risk as a result of the fact that interest-bearing assets and liabilities have different maturities or interest rate re-pricing periods and different volumes during these periods. In the event of a change in interest rates, the Issuer is exposed to a risk as a result of the different mechanism or timing of adjustments to particular types of interest rate benchmarks (such as PRIBOR or EURIBOR), declared interest rates on deposits, etc. The activities in the area of interest risk management are focused on optimising the Issuer's net interest revenue in accordance with the strategy approved by the Issuer's Board of Directors.

Interest rate derivatives are generally used to manage the incongruity between the interest sensitivity of assets and liabilities. These transactions are carried out in accordance with the Issuer's strategy for managing the assets and liabilities approved by the Issuer's Board of Directors. Part of the Issuer's income is generated by the intentional incongruity between the interest rate sensitive assets and liabilities.

The Issuer applies a BPV approach for measuring interest sensitivity of assets and liabilities. BPV represents the change in the present value of cash flows derived from individual instruments if interest rates increase by 1 basis point (0.01 per cent.), i.e. it represents the sensitivity of instruments to interest rate risks.

The Issuer set up the interest rate risk limits to restrict oscillation of net interest income resulting from changes of interest rates by 0.01 per cent. (the **BPV limit**).

Stress Testing of Interest Rate Risk

The Issuer carries out weekly stress testing of interest rate sensitivity by applying historical scenarios of significant movements on the financial markets, internally defined improbable scenarios, and group macro scenarios, and simulates their impact on the Issuer's financial results. In the course of 2016, the methodology for conducting stress testing was changed and the UniCredit Group is newly conducting stress tests on an aggregate basis for the entire interest-sensitive part of the regulatory banking book. Since 2020, the Issuer has also calculated and reported stress testing of the trading book.

The standard stress scenario corresponds to a parallel shift in the yield curve by 200 basis points for major currencies (CZK, EUR, USD), and the main alternative scenario (money market stress test) corresponds to a parallel shift in the short tail of the yield curve for major currencies (CZK, EUR, USD), with a maturity of up to two years, by 250 basis points.

Since 2015, the Issuer introduced and maintains stress scenarios for negative market interest rates. As negative interest rates are still present for some currencies in the market interest rate curves and a potential further decrease cannot be entirely excluded, the Issuer applies a stress scenario to reflect a possible profit/loss effect of such further decrease of market interest rates. This approach is applied to the entire portfolio of assets and liabilities, including products for which a decrease of the market interest rates (as an element of client rates) into negative values is restricted in the relevant contracts or the terms and conditions. With this approach, the UniCredit Group shows the potential risk of profit / loss for products for which contractual decline in market interest rates is not possible. This change caused that since 2015, the result of stress testing from a shift of +/- 200 bps was approximately symmetrical, whereas until this date it was unsymmetrical due to the application of a floor of 0.

Hedge Accounting

As part of its market risk management strategy, the Issuer hedges against interest rate risk. The Issuer's hedge strategy uses both fair value hedges and cash flow hedges.

Fair Value Hedging

Hedged instruments can be financial assets and liabilities recognized at their carrying amounts (except securities held to maturity) and available-for-sale securities recognized at their fair values, with changes in fair value recognised in equity. Hedging instruments are derivatives (most commonly interest rate swaps and cross currency swaps).

The Issuer performs a fair value hedge effectiveness test prospectively on the basis of future changes in fair values of hedged and hedging instruments and of expected interest rates movements (a so-called "prospective test") and retrospectively on the basis of the real Fair Value changes monitored in the hedged transactions in the past. On the basis of real interest rate developments, the test of effectiveness is carried out at the last day of each month.

The Issuer has chosen to carry out effectiveness testing on a monthly basis to detect possible non-effectiveness of hedge relationships.

For particular hedged items and hedging trades (loans, deposits, securities, interest rate swaps, etc.), the amounts of cash flows and dates are determined from the beginning of a hedged relationship until the maturity of the hedged instrument, or until the end of the hedge relationship. The present values of particular cash flows for the relevant date (date of effectiveness measurement) are determined on the basis of discount factors for specific currencies and related cashflow frequency. The fair value of the trade is the total of discounted cash flows from the relevant trade at the given time. The cumulative change of the fair value is determined by comparing the fair value in the given time with the first revaluation. These cumulative changes are further netted for realized cash flows by subtracting or adding them back. The hedge is considered as effective if the proportion of cumulative fair value changes of hedged and hedging instruments is between 80 per cent. and 125 per cent.

Cash Flow Hedging

The Issuer uses the concept of cash flow hedging to eliminate interest rate risk on an aggregate basis. The hedged instruments are future forecasted transactions in the form of interest income and interest expense sensitive to changes in market interest rates. Future anticipated transactions ensue from contracts actually concluded as well as from future transactions established on the basis of replication models. The hedging instruments are derivatives (most commonly interest rate swaps and cross currency swaps).

The effectiveness of a cash flow hedge is determined in accordance with shareholder standards, which are contained in an approved methodology. First, the nominal values (divided into assets and liabilities) of external trades for which the interest cash flow (established on the basis of refinancing - the "funding" rate) may be considered as variable are identified for specific currencies (hedged cash flows). Second, for these same currencies the nominal interest cash flows of variable hedging instrument parts are identified and are monitored on a net basis (i.e. cash in net of cash out).

The Issuer monitors whether the absolute value of future variable interest cash flows from hedged deals for specific time periods exceeds the absolute value (having the opposite sign, plus or minus) of net variable cash flows from hedging derivatives.

The time periods are defined as follows: for individual months up to two years, thereafter for individual years, up to 10 years, and greater than 15 years. The hedge is considered effective if the absolute volume of variable interest cash flows from hedged deals is greater in each of the time periods, and this is measured separately for each monitored currency.

Currency Risk

Assets and liabilities denominated in foreign currencies, including off-balance sheet exposures, comprise the Issuer's exposure to currency risks. Both realized and unrealized foreign exchange gains and losses are reported directly in the income statement.

The Issuer has set a system of currency risk limits based on the net currency position in each currency. These limits are regularly reviewed. With effect from 1 January 2021, the Issuer set a limit of EUR70 million for the total net currency position of the Issuer and for positions in EUR, and a limit of EUR25 million for the USD. For the remaining important currencies, i.e. CHF, GBP, JPY, the group limit has been set to the equivalent of EUR17 million. For the group of currencies BAM, BGN, HRK, HUF, RON, RSD, RUB a TRY, the aggregate group limit

has been set to equivalent of EUR15 million. Minor currencies limits are grouped as well under the limit of EUR10 million.

Equity Risk

Equity risk is the risk of movement in the prices of equity instruments held in the Issuer's portfolio and of financial derivatives derived from these instruments. Equity risk arises as a result of the Issuer's equity derivative positions in structured bonds issued for various types of investors. The risks associated with equity instruments are managed through respective limits. The methods used to manage these risks are described above.

Liquidity Risk

Liquidity risk arises as a result of the manner of financing the Issuer's activities and managing its positions. It includes both the risk that the Issuer would be unable to finance its assets using instruments with appropriate maturity and the risk that the Issuer would be unable to dispose of its assets for an appropriate price within the necessary time period.

Every year, the Issuer plans its liquidity position on a consolidated basis (Funding Plan) within the creation of the budget for the year concerned and this plan is subject to the approval by the assets and liabilities committee (ALCO). During the year, the fulfilment of the plan is subject to a review.

The Issuer has access to diverse sources of funds, which comprise of deposits and other savings, securities issued, loans taken (including subordinated loans) and own equity capital of the Group. This diversification makes the Issuer flexible and limits its dependency on any single funding source.

The Issuer regularly evaluates the liquidity risk, in particular by monitoring changes in the structure of funding and comparing these changes with the Issuer's liquidity risk management strategy, which is approved by the Issuer's Board of Directors. The Issuer also holds, as part of its liquidity risk management strategy, a proportion of its assets in highly liquid funds, such as state treasury bills and bonds and other similar bonds in accordance with CRD IV/CRR rules.

The Issuer regularly assesses liquidity risk by analysing the difference in residual maturities of assets and liabilities. The Issuer applies two perspectives: short-term and long-term (structural). In the short term, the Issuer monitors the difference between inflows and outflows of liquidity in daily detail over the coming weeks. The Issuer has set limits for the cumulative difference between the inflows and the outflows. If the limits are exceeded, the Issuer will take measures to reduce liquidity risk. In the long-term (structural) view, the Issuer monitors the difference between the maturities of assets and liabilities in periods exceeding one year. For products with unspecified maturity (e.g. current accounts), the Issuer has developed a model for their expected residual maturity. In this respect, too, the Issuer has set indicators and, when they are exceeded, takes adequate measures, such as measures to obtain long-term refinancing resources. For products that may be prematurely repaid by the client (especially mortgage loans), the Issuer has developed a model for their expected maturity. The output of this model affects the expected future liquidity flows, which are the basis for liquidity risk management.

The Issuer has drawn up a contingency plan for the possible case of a liquidity crisis. This plan defines roles, responsibilities and the process of managing a crisis. It also defines the possible measures which should be considered if there is a crisis situation.

Stress tests of short-term liquidity are performed by the Issuer on a weekly basis. Such stress tests verify the Issuer's ability to overcome extreme situations such as systemic interruption of the inter-bank money market, a decrease in the Issuer's credit rating, IT system breakdowns, reputation risk to the Issuer and combinations of the above. The stress scenarios' results are presented to the ALCO.

Operational Risk

Operational risk constitutes the risk of a loss due to the absence, violation or exceedance of rules, or failure to uphold these rules, and to damages caused by a failure of internal processes, human or system error, or external events. Strategic risk, business risk and reputation risk differ from operational risk while legal risk and compliance risk are included within the definition of operational risk.

The Issuer's organisational structure and its internal rules fully respect the segregation of incompatible duties and prevent any conflict of interests. Internal rules unambiguously define rights and obligations of employees, including management, and regulate the working processes and control activities. The Operational Risk Committee is the main control and decision body regarding the Issuer's operational risk. All members of the Issuer's Board of Directors are permanent members of the committee. The operational risk unit is an independent body reporting directly to the member of the Issuer's Board of Directors responsible for second level control of the Issuer's operational risk management. The Operational risk unit is entrusted with ensuring unified and coordinated approach towards operational risk management framework in accordance with the applicable regulations and the standards of UniCredit S.p.A. The operational risk management and monitoring themselves are performed by the designated employees of the individual departments. The internal audit department identifies extraordinary trends and breach of or non-compliance with directives and it assesses the control and management system's functionality.

To ensure effective collection of operational risk events and data, the Issuer uses an online information system developed by the UniCredit Group. The system complies with the requirements for capital adequacy management, in accordance with the Basel III regulation. The data acquired through the system is taken into account when calculating the capital requirement as well as in managing operational risk and forms one of the bases for designing processes that will lead to a reduced number of particular events and the mitigation of their consequences. The data is also used for re-checking the reliability of proposed measures for operational risk mitigation. Data is collected continuously in cooperation with the Issuer's departments. All significant events are reported and resolved without delay after their discovery. Based on the collected data, a quarterly consolidated report is prepared, which is presented to the Operational Risk Committee and distributed within the Issuer to the respective managers. The Issuer's Board of Directors, internal audit department and the parent company are informed about the most significant cases of operational risk on a weekly basis, or immediately if necessary. The data is regularly reconciled with the accounting and other sources in order to ensure their completeness and accuracy.

In the context of the ICT integration towards the strategic UniCredit Group ICT platform, the Issuer continuously identifies, monitors and manages any new operational risk arising from change management process in the business and ICT/processing area as well as in the processes outsourced to different entities in and outside of the UniCredit Group. Further, the Issuer set up a specific risk assessment process focused on ICT risk with an annual monitoring and update cycle. The Issuer also performs the annual risk control inventory survey, annual scenario analysis and continuous risk indicators and risk limits configuration and updating. The business continuity of operations management (emergency planning, crisis management) constitutes another important part of operational risk management. The Issuer has updated its business impact analysis and tested the respective recovery plans (for crisis situations) for its critical processes in order to ensure their full usefulness and effectiveness under current conditions. The operational risk unit is also increasing the overall awareness of operational risk within the Issuer and is training the Issuer's staff by means of e-learning, among other training methods.

Based on the regulatory permission, the Issuer applies an advanced approach to the calculation of the capital requirement for operational risk. For this, a group model is used, which is based on internal and external data, results of scenario analyses and data on risk indicators.

From the point of view of operational risk management, the COVID-19 global pandemic has only a limited economic impact on the Issuer, associated in particular with increased expenditures on measures taken to mitigate the impact of the COVID-19 pandemic health risk. The Issuer used the already existing tools and resources for business continuity management (contingency plans, crisis management, backup infrastructure) and thus ensured full operability even in the current conditions of the ongoing COVID-19 pandemic.

Risk Management in Subsidiaries

The risk management of the Issuer's subsidiaries is built on similar principles as the risk management of the Issuer, but it takes into account the specific features of the products provided by such subsidiaries and their portfolios. These specific features primarily include the following:

- determination of the fair value of financed assets when deciding on the provision of funding;
- management of the risk of a change in the market value of the financed assets during financing;

- valuation and sales activities after an extraordinary termination of a contract (or due termination of a contract in respect of operating leases) and management of the risk arising therefrom;

- control activities to prove the connection of the purpose of financing with the existence of the financed asset before the conclusion of a contract and during the contract period (including the prevention against fraudulent activities); and

- management of the risk of concentration in relation to types of financed assets (classes of assets).

The organizational structure of risk management, risk decision-making committees and system for the allocation of authorities are adjusted to reflect the specific features or products and risks of the Issuer's subsidiaries. This aims at ensuring both the independence of the risk management from business activities and the independence of the persons participating in the valuation of assets and their realization from the persons with the decision-making authority in the provision of funding.

Capital Management

Management of the Issuer monitors the development of the Issuer's capital adequacy on a consolidated basis and its capital position. The regulator of the banking market, the CNB, established rules for the calculation of capital requirements and monitors their development. Since 1 January 2014, the Issuer has met the requirements of the CRR that was implemented by the CNB through Decree No. 163/2004 Coll. on the performance of the activity of banks, credit unions and investment firms. The Basel III rules were established in response to the financial crisis and introduce requirements for increased capital quality, requirement for an increased coverage of risks, the minimum standard for liquidity management, rules for the leverage ratio and improve risk management and corporate governance.

The Issuer's regulatory capital consists of the following:

- Common Equity Tier 1 (**CET 1**) capital which comprises registered capital, share premium, reserve funds, retained earnings, accumulated other comprehensive income from revaluation of financial assets at fair value through other comprehensive income, post-tax profit for the period if audited at the time of reporting; minus intangible assets and gaps in the coverage of anticipated losses through adjustments for credit risk using the internal rating based approach;

- Tier 1 (T1) capital creating of CET1 and Additional Tier 1 Capital (the **AT 1**); and

- Tier 2 (T2) capital which is the excess in the coverage of anticipated credit losses when using the internal rating based approach.

The Issuer complies with the defined minimum requirements of Basel III rules for capital adequacy, including capital buffers.

Statement of capital for the Group's capital adequacy calculation on a consolidated basis as reported to the regulator in accordance with applicable rules as of 31 December 2020 and as of 31 December 2019:

	As of 31 December	
	2020	**2019**
	(*in CZK millions*)	
Tier 1 capital	80,852	71,100
Total capital	80,972	71,105
Capital requirement for credit risk under the standardised approach	4,110	6,727
Capital requirement for credit risk under the IRB approach	20,626	19,430
Capital requirements for position risk	333	367
Capital requirements for commodity risk	6	1
Capital requirements for operational risk	2,251	2,044
Capital requirements for credit valuation adjustment	56	38
Capital requirement for other risk exposure	301	108
Total capital requirement	27,683	28,715

RELATED PARTY TRANSACTIONS

Entities are deemed to be related parties in the event that one entity is able to control the activities of another, or is able to exercise significant influence over the other entity's financial or operational policies. As part of its ordinary business, the Issuer enters into transactions with related entities. These transactions principally comprise loans, deposits and other types of transactions and are concluded under arm's length conditions and at arm's length prices in order to prevent any detriment to any party.

Related parties principally include the Issuer's parent company, Issuer's fellow subsidiaries and other companies controlled by UniCredit Group or where UniCredit Group exercises significant influence, the Issuer's subsidiaries and affiliates, members of the Board of Directors and other members of the Issuer's management.

The selected data shown in the tables below is extracted from the consolidated financial statements of the Issuer for the years ended 31 December 2020 and 2019, which have been prepared in accordance with IFRS as adopted by the EU.

The table below shows selected balance sheet information regarding transactions with UniCredit S.p.A., the Issuer's parent company for the years ended 31 December 2020 and 2019 (on a consolidated basis):

	As of 31 December	
	2020	**2019**
Assets	*(in CZK millions)*	
Loans and advances to banks	1,865	928
Financial assets held for trading	4,576	1,836
Financial assets at fair value into other comprehensive income	-	-
Positive fair value of hedging derivatives	2,450	925
Total	**8,891**	**3,689**
Liabilities		
Deposits from banks	48,926	118,092
Financial liabilities held for trading	4,390	1,656
Negative fair value of hedging derivatives	1,774	1,417
Total	**55,090**	**121,165**
Off-balance sheet items		
Issued guarantees	570	1,490
Irrevocable credit facilities	788	311
Total	**1,358**	**1,801**

The table below shows selected income statement information regarding transactions with UniCredit S.p.A., the Issuer's parent company for the years ended 31 December 2020 and 2019:

	Year ended 31 December	
	2020	**2019**
	(*in CZK millions*)	
Interest income	277	296
Interest expenses	(19)	(193)
Fee and commission income	1	1
Fee and commission expenses	(4)	(1)
Net profit/loss from financial assets and liabilities held for trading	202	201
Net profit/loss from hedging of the risk of change in fair values	(260)	(3)
Administrative expenses	(65)	(13)
Total	**132**	**288**

The table below shows selected balance sheet information regarding transactions with key management members as of 31 December 2020 and 2019:

	As of 31 December	
	2020	**2019**
	(in CZK millions)	
Assets		
Loans and advances to customers	147	114
of which:		
Board of Directors	20	17
Other management members	127	97
Total	**147**	**114**
Liabilities		
Payables to customers	133	169
of which:		
Board of Directors	47	85
Other management members	86	84
Total	**133**	**169**
Off-balance sheet items		
Irrevocable credit facilities	3	3
of which:		
Board of Directors	1	1
Other management members	2	2
Total	**3**	**3**

The table below shows selected balance sheet information regarding transactions with the other related parties as of 31 December 2020 and 2019:

	As of 31 December	
	2020	**2019**
	(*in CZK millions*)	
Assets		
Financial assets held for trading	2,888	1,654
of which:		
UniCredit Bank AG	2,888	1,654
Loans and advances to banks	887	166
of which:		
UniCredit Bank AG	20	1
UniCredit Bank Austria AG	697	79
Yapi ve Kredi Bankasi AS	-	54
UniCredit Bank Hungary Zrt.	85	16
AO UniCredit Bank	50	1
Loans and advances to customers	707	801
of which:		
UCTAM Czech Republic s.r.o.	288	398
UCTAM SVK, s.r.o.	419	403
Positive fair value of hedging derivatives	5,706	4,139
of which:		
UniCredit Bank AG	5,706	4,139

Total	**10,188**	**6,760**
Liabilities		
Deposits from banks	3,286	3,800
of which:		
UniCredit Bank Austria AG	2,183	2,973
UniCredit Bank AG	995	750
UniCredit Bank Hungary Zrt.	41	55
Deposits from customers	304	339
of which:		
UniCredit Services S.C.p.A.	91	110
Financial liabilities held for trading	3,792	2,563
of which:		
UniCredit Bank AG	3,792	2,563
Negative fair value of hedging derivatives	4,191	3,310
of which:		
UniCredit Bank AG	4,191	3,310
Total	**11,573**	**10,012**

The table below shows selected off-balance sheet information regarding transactions with the other related parties as of 31 December 2020 and 2019:

	As of 31 December	
	2020	**2019**
	(in CZK millions)	
Off-balance sheet items		
Issued guarantees	1,537	2,348
of which:		
UniCredit Bank AG	1,336	1,853
UniCredit Bank Austria AG	113	325
UniCredit Bank Hungary Zrt.	5	12
AO UniCredit Bank	36	53
Irrevocable credit facilities	992	534
of which:		
UniCredit Bank AG	517	433
Total	**2,529**	**2,882**

The table below shows selected income statement information regarding transactions with the other related parties for the years ended 31 December 2020 and 2019:

	Year ended 31 December	
	2020	**2019**
	(*in CZK millions*)	
Interest income	33	109
of which:		
UniCredit Bank AG	4	2
UniCredit Bank Austria AG	12	90
Interest expenses	(279)	(452)
of which:		

UniCredit Bank AG	(188)	(175)
UniCredit Bank Austria AG	(83)	(268)
Fee and commission income	64	129
of which:		
UniCredit Bank AG	13	12
UniCredit Bank Hungary Zrt.	2	2
UniCredit Bank Austria AG	47	111
Fee and commission expenses	(10)	(8)
of which:		
UniCredit Bank Austria AG	(5)	(4)
Net profit/loss from financial assets and liabilities held for trading	46	(303)
of which:		
UniCredit Bank AG	46	(302)
Net profit/loss from hedging against risk of changes in fair value	421	50
of which:		
UniCredit Bank AG	421	50
Administrative expenses	(914)	(909)
of which:		
UniCredit Services S.C.p.A.	(888)	(900)
Total	**(639)**	**(1,384)**

BANKING REGULATION

This section contains selected information on certain aspects of Czech and Slovak banking regulation and supervision. The information in this section is intended to provide a brief overview of Czech and Slovak banking regulation and supervision to which the Issuer is subject, and is not intended to provide a comprehensive or complete description of Czech and Slovak banking regulation and supervision.

Czech Banking Regulation

Banking Regulation and Supervision

The structure of the regulation and supervision of the Czech banking system is set forth in a number of statutes, including Czech Act No. 6/1993 Coll., on the Czech National Bank, as amended (the **CNB Ac**t), the Czech Banking Act, Czech Act No. 256/2004 Coll., on Conducting Business in the Capital Market, as amended (the **Czech Capital Markets Act**), Czech Act No. 15/1998 Coll., on Supervision in the Capital Market Area and Amendment of Certain Other Acts, as amended (the **Czech Capital Market Supervision Act**), Czech Act No. 253/2008 Coll., the Act on Some Measures against Money-Laundering and Financing of Terrorism, as amended, Czech Act No. 370/2017 Coll., on Payment Services, as amended, the Czech Bonds Act, the Czech Act No. 93/2009 Coll., on Auditors, as amended, Czech Act No. 377/2005 Coll., on Supplementary Supervision over Banks, Credit Unions, Electronic Money Institutions, Insurance Companies and Investment Firms in Financial Conglomerates and amending some other acts, as amended (the **Czech Financial Conglomerates Act**), Czech Act No. 374/2015 Coll., on Recovery and Resolution in the Financial Market, as amended (the Czech Recovery and Resolution Act), Czech Act No. 257/2016 Coll., on Consumer Credit, as amended (the **Czech Consumer Credit Act**) and certain regulations issued by the CNB (known as measures and decrees) as well as directly applicable EU laws and regulations.

The CNB

The CNB exercises regulatory and supervisory powers over the banking sector, as well as the rest of the Czech financial sector (including the capital markets, insurance, pension funds, credit unions and electronic money institutions as well as the foreign exchange sector). The CNB also carries out the traditional activities of a central bank including fostering price stability through monetary policy as well as fostering financial stability and safe functioning of the financial system in the Czech Republic.

As a general rule, the CNB exercises banking supervision over Czech banks (including subsidiaries of foreign banks incorporated in the Czech Republic) and Czech branches of banks established outside the EEA. Banks established in EEA countries other than the Czech Republic which are conducting their banking business in the Czech Republic through a Czech branch passported in the Czech Republic, or without establishment of a Czech branch on the basis of freedom of cross-border provision of services, are primarily subject to supervision by their home country regulators, although their supervision is also partially carried out by the CNB.

Under the Czech CNB Act and the Czech Banking Act, the CNB is empowered with an array of powers to regulate and supervise the Czech banking system. These powers, among others, include the power to: (i) grant banking licences; (ii) issue regulations containing the terms and conditions of entry into the banking sector and setting down prudential rules for specific areas of banking business; (iii) monitor the activities of banks, branches of foreign banks and credit unions; (iv) perform examinations (inspections) in banks, including foreign bank branches and credit unions; (v) grant prior consents to certain activities involving a bank, including the acquisition of a participation in a bank, the disposal of a bank's business, the merger or winding up of a bank, or the termination of a bank's activities; and (vi) impose remedial measures and penalties for Shortcomings detected in banks' activities (see section Remedial Measures and Penalties below).

Licensing

As a general rule, only joint-stock companies that have been granted a banking licence by the CNB in compliance with the Czech Banking Act are permitted to operate in the Czech Republic as a bank. Certain exceptions apply to foreign banks established within the EEA which intend to provide banking services in the Czech Republic through their Czech branch or on the basis of freedom of cross-border provision of services. Licences are issued for an indefinite period of time and contain a list of the activities that the respective bank is permitted to conduct. In some cases, licences also contain conditions the bank must meet prior to commencing a particular permitted

activity or while conducting that activity. Some of the activities listed in the licence, such as the provision of investment services and certain custodian services, may be conditional upon the fulfilment of special conditions.

Activities Requiring Prior Consent of or Notification to the CNB

In a number of cases, the Czech Banking Act requires banks or other legal or natural persons to apply for consent from the CNB or to notify the CNB before executing particular transactions or operations.

Prior consent of the CNB is required, without limitation: (i) where a person proposes to acquire or increase a direct or indirect participation in a Czech bank so that it would reach or exceed 10 per cent., 20 per cent., 30 per cent. or 50 per cent. of the registered capital or of the voting rights, or so that the acquirer would become the bank's controlling entity or have the possibility to exercise a significant influence over the bank's management (this duty also applies to persons acting in concert); (ii) in order to enter into an agreement pursuant to which the business enterprise of the bank or a part thereof is disposed of; (iii) in order to merge or divide the bank or to transfer its assets to its shareholder; (iv) for a resolution of the general meeting of shareholders to wind up the bank or cease to carry out any activity for which a licence is required; and (v) in order to reduce the capital of the bank, unless the capital is being reduced to cover a loss.

A prior notification to the CNB is required, without limitation: (i) where a person proposes to completely dispose of or reduce a direct or indirect participation in a bank so that it would fall below 10 per cent., 20 per cent., 30 per cent. or 50 per cent. of the registered capital or of the voting rights, or so that the acquirer would cease to be the bank's controlling entity or cease to have the possibility of exercising a significant influence over the bank's management (this duty also applies to persons acting in concert); (ii) of changes proposed to a bank's articles of association relating to the parts that are required by law; (iii) of proposed personnel changes in the Board of Directors and senior management of the bank; (iv) of the bank's intent to establish a legal entity (subsidiary), branch or representation abroad or to provide services abroad without establishing a branch; and (v) of the identity of a bank's auditor.

A subsequent notification to the CNB must be filed by a Czech bank without undue delay upon any acquisition of a participation in a legal entity, incorporation of a legal entity or participation in its incorporation if the Czech bank acquired or holds a direct or indirect participation in such legal entity of at least 10 per cent. of the registered capital or of the voting rights, or so that the Czech bank would become the legal entity's controlling entity or has the possibility to exercise a significant influence over the legal entity's management.

Capital Adequacy Requirements

In December 2010, the Basel Committee on Banking Supervision (the BCBS) published its final standards on the revised capital adequacy framework, known as Basel III, which tightened the definition of capital and requires banks to maintain capital buffers on top of minimum capital requirements. On 27 June 2013, the CRD IV and the CRR, transposing Basel III into EU-law, have been published.

The CRR (an EU-regulation which directly applies in all EU-Member States without any further national implementation steps) entered into force on 1 January 2014. Certain Czech laws (including amendments to the Czech Banking Act and an implementing Decree of the CNB No. 163/2014 Coll., on the Performance of the Activities of Banks, Credit Unions and Investment Firms, as amended (the Prudential Rules Decree)) implementing the CRD IV into Czech law were subsequently amended or newly promulgated in 2014,

Thus, since 2014, the prudential requirements, in particular the regulatory capital requirements applicable to the Issuer have been substantially changed.

Under the new rules, the only capital instruments eligible as own funds are: (i) CET 1 instruments; (ii) AT 1 instruments (CET 1 and AT 1 together constituting the **Tier 1**); and (iii) tier 2 instruments (the **Tier 2**).

Institutions are required at all times to satisfy the following capital ratios for own funds: (i) a CET 1 ratio of 4.5 per cent.; (ii) a Tier 1 ratio of 6 per cent.; and (iii) a total capital ratio constituted of the Tier 1 and Tier 2 of 8 per cent., all expressed as a percentage of the total risk exposure amount. The total risk exposure amount is in principle the sum of risk-weighted exposure amounts for credit risk, as well as the own funds requirements for market risk and operational risk

Therefore, while the total capital an institution needs to hold remains at 8 per cent., the share that has to be of the highest quality (i.e. CET 1) increased from 2 per cent. to 4.5 per cent.

The new rules established the following new capital buffers: (i) the capital conservation buffer, (ii) the countercyclical capital buffer, (iii) the systemic risk buffer, (iv) the global systemic institutions buffer and (v) the other systemic institutions buffer. The capital conservation buffer is equal to 2.5 per cent. The countercyclical capital buffer is 0.5 per cent. in the Czech Republic since 5 March 2021 and it is to be increased to 1 per cent. with effect from 1 July 2022. The countercyclial capital buffer is 1.0 per cent. in Slovakia. The systemic risk buffer applicable to the Issuer is 2.0 per cent. as from 1 January 2017. The other systemic institutions buffer applicable to the Issuer is equal to 0 per cent.

On top of these own funds requirements, the competent authorities may add extra capital requirements to cover other risks following a supervisory review and institutions may also decide to hold an additional amount of capital on their own.

Under Basel III, banks (such as the Issuer) are required to meet two new liquidity standards: (i) LCR and (ii) NSFR. The LCR requires banks to hold an amount of unencumbered, high quality liquid assets that can be used to offset the net cash outflows the bank would encounter under an acute short term stress scenario specified by supervisors. The NSFR measures the amount of longer term, stable sources of funding available to a bank in relation to the stable funding it requires over a one year period of extended stress, given the liquidity profiles of its assets and its off balance sheet exposures.

At the same time, the criteria for each capital instrument became more stringent; due to harmonized definitions of adjustments made to capital in order to determine the amount of regulatory capital that is prudent to recognise for regulatory purposes, the effective level of required regulatory capital has been increased significantly.

In relation to the COVID-19 outbreak, the ECB announced in a press release dated 12 March 2020[40] an introduction of certain extraordinary measures to ensure the ability of banks to continue to fund the real economy and provide significant capital relief to banks in support of the economy. This means that ECB will allow banks to operate temporarily below the level of capital defined by the Pillar 2 requirements (i.e. a capital requirement which applies in addition to, and covers risks which are underestimated or not covered by, the minimum capital requirement – also known as the Pillar 1) could also be met by partial use of capital instruments that do not qualify as CET1, for example AT 1 or Tier 2 instruments. Further to these measures, the banks are recommended to continue to apply sound underwriting standards, pursue adequate policies regarding the recognition and coverage of non-performing exposures and conduct capital planning.

In respect of credit risk, in order to calculate their risk-weighted exposure amounts, institutions shall apply either the standardised approach or (if permitted by the competent authorities) the internal ratings based approach (the **IRB**). At the date of this Base Prospectus, the Issuer is using the IRB.

Apart from the prudential requirements on own funds and regulatory capital described above, Czech credit institutions are subject to numerous other regulatory requirements stipulated by EU-law, including limits on large exposures, liquidity requirements, leverage ratios, as well as reporting and notification obligations. Credit institutions have to comply with such prudential and regulatory requirements not only on an individual level, but also on a group level.

The CNB is authorised to apply certain remedial measures linked to failure to meet capital adequacy criteria. For example, if a bank's capital ratio falls below two thirds of the minimum limit currently set at 8 per cent., the CNB may require the bank, among other things, to increase its capital to a sufficient level, to limit the acquisition of certain higher-risk assets, to refrain from paying interest on deposits where relevant interest rates would be in excess of the then current market level or to cease providing any loans to persons that have close personal or proprietary links with the bank. If the ratio falls below one third of the prescribed minimum, the CNB is obliged to revoke the bank's licence, unless the bank is subject to a crisis resolution measure (in Czech, opatření k řešení krize) pursuant to the Czech Recovery and Resolution Act.

Furthermore, on 23 November 2016, the European Commission published its proposal for an EU Banking reform package including proposals to amend the CRR, the CRD IV and the BRRD (the EU Banking Reform) as part of the finalisation of the Basel III framework and its implementation in the EU. The individual pieces of law forming

[40] Source: https://www.bankingsupervision.europa.eu/press/pr/date/2020/html/ssm.pr200312~43351ac3ac.en.html

the EU Banking Reform were adopted on 20 May 2019. The amendments include, inter alia, introduction of a new asset class of "non-preferred" senior debt, changes to the market risk framework by implementing the fundamental review of the trading book, changes to the counterparty credit risk framework, introduction of a leverage ratio requirement, binding implementation of the NSFR, revisions to the Pillar 2 framework and revisions to the framework concerning interest rate risk in the banking book. Until the EU Banking Reform is adopted and implemented into Czech law in its final form, its impact on the Issuer and its business is uncertain.

Financial Conglomerates

Starting in September 2005, the Czech Financial Conglomerates Act came into force implementing Directive 2002/87/EC of the European Parliament and of the Council of 16 December 2002 on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate. According to the Czech Financial Conglomerates Act, a bank is considered to be a "regulated person" when under certain circumstances it is subject to a regulation of the Czech Financial Conglomerates Act.

According to the Czech Financial Conglomerates Act a financial conglomerate is a group or subgroup if:

1. the group or subgroup is headed by: (i) a regulated person, such as a bank, credit institution, insurance company or securities broker, which either: (a) controls a person in the financial sector; or (b) is a person who exercises a significant influence on a person in the financial sector; or (c) is a person connected to other person in financial sector through a unified management (d) is a person, the majority of whose members of statutory, managing and supervisory bodies comprise during most of the relevant accounting period individuals or persons, who are at the same time members of the statutory, managing and supervisory bodies of another person in the financial sector, or (ii) a person who is not a regulated person, provided the activity of the group is performed predominantly in the financial sector;

2. at least one person in the group or subgroup belongs to the insurance sector and at least one person in the group or subgroup belongs to the banking sector or investment services sector; and

3. the activities in the insurance sector of the group or subgroup in their aggregate and the activities in the banking sector and investment services sector of the group or subgroup in their aggregate are significant (where the extent of the sector's significance is specified in detail in the Czech Financial Conglomerates Act).

The supplementary regulation under the Czech Financial Conglomerates Act concerns mainly the following three areas at the level of the financial conglomerate:

(a) capital adequacy;

(b) risk management; and

(c) intra-group transactions.

The supplementary supervision is exercised at the level of the financial conglomerate, i.e. at the level of the regulated entity which is at the top of the financial conglomerate, or at the level of the regulated entity, the parent of which is a mixed financial holding company (i.e., a non-regulated entity controls a regulated entity) which has its head office in the EU.

As of the date of this Base Prospectus, the Issuer is not considered a regulated person subject to supplementary supervision at the level of financial conglomerate.

Minimum Reserves

Under the Czech CNB Act, the CNB may require banks, foreign bank branches and credit unions to hold a pre-specified amount of liquid funds, known as minimum required reserves, in accounts with the CNB. The required minimum reserves may not exceed 30 per cent. of the total liabilities of the institution required to hold such reserves, net of its liabilities owed to other regulated persons. Currently, the CNB requires minimum reserves to amount to at least 2 per cent. of the aggregate of the following liabilities to entities other than banks or foreign banks with a maturity of up to two years: (i) customer deposits; (ii) loans accepted from customers; (iii) holdings by non-banking entities of outstanding non-marketable securities; and (iv) holdings by non-banking entities of other outstanding debt securities. Minimum reserves are calculated from liabilities denominated in CZK as well

as other currencies. Failure by a bank or a branch of a foreign bank established outside the EEA to meet minimum reserve requirements exposes the bank to interest penalties equal to twice the average Lombard rate applicable during the period in which it was obliged to meet such minimum reserve requirements.

Liquidity Rules

Under the Czech Banking Act and the Prudential Rules Decree, banks operating in the Czech Republic are required to monitor and manage liquidity risk. A bank must establish a strategy for the management of liquidity risks and monitor liquidity on a daily basis for each individual major currency in which it deals, and on the aggregate level for all currencies. Banks must also maintain a stable and diversified funding portfolio and manage relationships with their principal creditors. For further details on how the Issuer manages liquidity risk, see section Description of the Issuer – Risk Management – Types of Risk Managed — Liquidity Risk.

Classification of Receivables and Impairment

Under the Czech Banking Act, the CRR and the Prudential Rules Decree, Czech banks and branches of foreign banks established outside the EEA are required to classify their exposures (especially those originating from granting of credit) according to the likelihood of default on such receivables into the following classes: (i) performing exposures; and (ii) non-performing exposures. The classification is realised in accordance with the approach to classification of exposures set out in the Commission Implementing Regulation (EU) No 680/2014 of April 2014 laying down implementing technical standards with regard to supervisory reporting of institutions according to CRR. Following such classification, Czech banks and branches of foreign banks must follow procedures set by the Prudential Rules Decree to set amounts of expected losses on the exposures and create provisions and reserves to cover them.

Large Exposures

Under the Czech Banking Act, the Prudential Rules Decree and the CRR, Czech banks and branches of foreign banks established outside the EEA are required to comply with large exposure rules established by the CRR that limit the amount of their assets and off-balance-sheet items in respect of a person or economically connected group of persons. For the purposes of these rules, a large exposure to a person or economically connected group of persons is deemed to exist if the exposure value is equal to or higher than 10 per cent. of a bank's eligible capital.

As a general rule, a Czech bank shall not incur an exposure, after taking into account the effect of the credit risk mitigation, to a client or group of connected clients the value of which exceeds 25 per cent. of its eligible capital. If a group of connected clients includes one or more credit institutions or investment firms, the value of the exposure must not exceed 25 per cent. of a Czech bank's eligible capital or EUR150 million, whichever is higher, provided that the sum of exposure values, after taking into account the credit risk mitigation, to all connected clients that are not credit institutions or investment firms must not exceed 25 per cent. of the Czech bank's eligible capital.

As a general rule, trading portfolio exposure to a person or economically connected group of persons may not exceed 600 per cent. of the sum of the eligible capital.

Qualified Participations

The Czech Banking Act defines a qualified participation as a direct or indirect participation in an entity which represents 10 per cent. or more of the registered capital or voting rights of such entity, or which makes it possible to exercise significant influence over the management of such entity. Under the CRR, a qualified participation held by a bank or its consolidated group in a non-financial institution (i.e., an entity that is neither a Czech bank, a foreign bank, a financial institution nor an ancillary services undertaking) may not exceed (i) in respect of a single legal entity, 15 per cent. of the bank's or the consolidated group's eligible capital and (ii) in respect of all legal entities, a total of 60 per cent. of the bank's or the consolidated group's eligible capital. These limits do not apply in specific limited circumstances.

Under the Czech Banking Act, a bank may acquire a participation or share in another legal entity, incorporate another legal entity or participate in its incorporation only if: (a) the bank does not become a participant with unlimited liability; (b) the legal entity is not a person having a qualified participation in such bank (with some

exemptions stated by the Czech Banking Act); (c) there are no legal or other obstacles to effective supervision of the bank's activities; or (d) the investment is in compliance with the total strategy of the bank and the bank controls the risks connected with such investment, in particular, in light of the eventual obligations of the bank arising therefrom.

Disclosure of Information

Banks are required to disclose and file with the CNB a number of reports, including quarterly and annual reports. The form of the reports is specified in various CNB decrees. The annual report must contain, among other things, the bank's financial statements and the external auditor's report. Since 2002, banks' internal risk management systems must also be audited by statutory auditors, unless the CNB waives this requirement or limits it to only some parts thereof. The CNB reviews these reports and monitors whether regulations on liquidity, large exposures, capital adequacy, capital, qualified participations and other matters have been observed. Banks are also required to introduce effective mechanisms for dealing with customer complaints and to inform customers about these mechanisms in their premises. Banks must also disclose basic information about themselves, their shareholder structure, the structure of the consolidated group to which they belong, and their activities and financial situation on their website. Certain banks are also obliged to disclose information on compliance with the prudential rules.

Deposit Insurance

Primary deposits with Czech banks are insured with the Deposit Insurance Fund operated by the Financial Market Guarantee System established pursuant to the Czech Recovery and Resolution Act (the **Deposit Insurance Fund**). All Czech banks and branches of foreign banks outside the EEA must participate in this deposit insurance scheme and contribute to the Deposit Insurance Fund. The Deposit Insurance Fund is financed from contributions from banks, funds obtained at the financial market, subsidies, repayable financial assistance and loans provided by the CNB, investment yields on its funds and proceeds from finalised insolvency and liquidation proceedings.

The condition for insuring each deposit is that the person making the deposit is duly identified, as follows:

- in the case of individuals, the deposit must be identified by the individual's name, surname, personal identification number or date of birth and address; and

- in the case of legal entities, the deposit must be identified by the legal entity's name, registered seat and, in the case of Czech legal entities, their identification number.

Neither individuals nor legal entities need to apply for deposit insurance in order for their deposits to be covered. A deposit kept at a bank, building society or co-operative savings bank is insured automatically by operation of law.

Subject to applicable limitations, deposit insurance covers all claims arising from deposits held in CZK or in other currencies registered as credit balances on accounts or deposit books, or evidenced by a certificate of deposit, deposit slip or another comparable document, and any interest accrued on such deposits. The deposit insurance does not cover deposit claims of banks, foreign banks, financial institutions, health insurance companies, state funds and certain other entities, such as members of the management or certain significant shareholders of the bank. Claims from subordinated debt and bills of exchange and other securities are also not covered by deposit insurance.

The level of insurance coverage is calculated by aggregating the insured deposits of each depositor with the particular bank. Since 1 January 2011, the amount that can be paid to a depositor under the scheme is equal to 100 per cent. of the aggregate of its deposits and is capped at the amount of EUR100,000 per depositor per bank. For this purpose, the amounts paid in respect of deposits on joint accounts are proportionately allocated to each joint account holder. Since 1 January 2016, legislation has defined exceptional cases where even higher compensation may be paid out for a defined period of time. This increased compensation can exceed the basic limit of EUR100,000 by a maximum of an additional EUR100,000. Such exceptional cases are e.g. deposit compensations for deposits resulting from real estate transactions related to private residential properties, settlement of the common property of spouses after divorce, insurance settlement (in the case of injury, illness, invalidity or death) and in other cases determined by law.

A yearly contribution of a Czech bank to the Deposit Insurance Fund is calculated pursuant to a formula published by the CNB, which takes into account the amount of the insured deposits and the risk profile of the institution. In 2020, the Issuer paid a yearly contribution to the Deposit Insurance Fund in the amount equal to CZK 39.1 million.

Remedial Measures and Penalties

Under Czech law, banks are obliged to carry out their business in a prudential manner, in particular in a manner that does not impair the interests of depositors in respect of recoverability of their interests or endanger the bank's safety and soundness. Banks are also required to observe all applicable legal rules and regulations, including the terms and conditions stipulated in their licence. If the CNB detects any Shortcomings in the activities of a bank, it is authorised, among other things to: (i) require the bank to remedy the situation within a specified period by, for example, restricting some of the bank's activities, replacing persons in the bank's management or the bank's supervisory board, or creating adequate provisions and reserves; (ii) change the bank's licence by excluding or restricting some of the activities listed in the bank's licence; (iii) order an extraordinary audit at the expense of the bank; (iv) impose a fine of up to CZK 50 million or, in some cases, of up to 10 per cent. of annual net turnover of the bank or the consolidated accounts of the parent undertaking; (v) require a reduction of the bank's capital to cover any loss (to the extent that such loss is not covered by reserve funds and other funds), **provided that** the loss exceeds 20 per cent. of the bank's equity; (vi) impose forced administration if the stability of the entire banking sector is endangered; and (vii) revoke the bank's licence where serious Shortcomings persist or when the bank is insolvent. The CNB is also authorised to apply certain other measures, which are linked mainly to capital adequacy (see section Capital Adequacy Requirements above).

Under the Czech Resolution and Recovery Act, the CNB may further exercise a range of crisis prevention measures and crisis management measures, as described above (see section General Description of Czech and Slovak Legislation relating to Mortgage Covered Bonds - 8 Czech Resolution and Recovery Act).

Additionally, the CNB is authorised to take measures consisting of suspending the rights of shareholders who acquire or increase a qualifying holding in a bank without the CNB's consent or who operate to the detriment of the sound and prudent management of the bank.

Consolidated Supervision

Under the Czech Banking Act and the Prudential Rules Decree, Czech banks, branches of foreign banks established outside the EEA and other entities forming consolidated groups are also subject to supervision on a consolidated basis, which includes monitoring and regulating the risks to which Czech banks and branches of foreign banks established outside the EEA are exposed due to their membership in a consolidated group.

As a general rule, consolidated groups controlled by a bank or financial holding entity seated in other EEA Member States are not subject to supervision by the CNB on a consolidated basis.

The consolidated groups subject to supervision by the CNB on a consolidated basis are mainly obliged to comply with: (i) the requirements for the internal management and control system; (ii) the rules for capital requirements; (iii) the large exposure rules; (iv) the restrictions on qualified participation; and (v) the rules for disclosure of information. When exercising supervision on a consolidated basis, the CNB co-operates with authorities responsible for supervising banks and financial institutions in other countries, and is entitled to exchange information with them.

Slovak Banking Regulation

Banking Regulation and Supervision

The Issuer conducts banking services in the Slovak Republic through its Slovak branch on the basis of a single bank licence under the EU single passport regime.

The structure of the regulation and supervision of the Slovak banking system is set forth in a number of statutes, including Slovak Act No. 566/1992 Coll., on National Bank of Slovakia, as amended (the **Act on NBS**), Slovak Act No. 747/2004 Coll. on Financial Market Supervision and on Amendments to Certain Acts, as amended, (the **Slovak Financial Market Supervision Act**), Slovak Act No. 371/2014 Coll., on Management of Crisis on the Financial Market and on Amendments to Certain Acts, as amended (the Slovak Financial Market Crisis

Management Act), the Slovak Banking Act, Slovak Act No. 90/2016 Coll., on residential loans and on Amendments to Certain Acts, as amended (the **Slovak Mortgage Loans Act**), Slovak Act No. 566/2001 Coll., on Securities and Investment Services (Securities Act) and on Amendments to Certain Acts, as amended (the **Slovak Securities Act**), the Slovak Bonds Act, Slovak Act No. 186/2009 Coll., on Financial Intermediation and Financial Counselling and on Amendments to Certain Acts, as amended (the **Slovak Financial Intermediation and Counselling Act**), Slovak Act No. 118/1996 Coll., on Deposit Protection and on Amendments to Certain Acts, as amended (the Slovak Deposit Protection Act), Slovak Act No. 202/1995 Coll., Foreign Exchange Act, amending and supplementing Act of the Slovak National Council. 372/1990 Coll. on Misdemeanours, as amended (the **Slovak Foreign Exchange Act**), Slovak Act No. 297/2008 Coll., on Protection Against Legalization of Proceeds from Crime and Terrorist Financing and on Amendments to Certain Acts, as amended (the **Slovak Anti-Money-Laundering Act**) and other acts and certain regulations issued by the National Bank of Slovakia (NBS) (known as measures and decrees).

The NBS

The NBS exercises regulatory and supervisory powers over the banking sector, as well as the rest of the Slovak financial sector (including capital markets, insurance, pension funds, credit unions and electronic money institutions as well as the foreign exchange sector).

As a general rule, the NBS exercises banking supervision over Slovak banks (including subsidiaries of foreign banks incorporated in the Slovak Republic) and Slovak branches of banks established outside the EEA. Banks established in EEA countries other than the Slovak Republic conducting their banking business in the Slovak Republic through a Slovak branch passported in the Slovak Republic (such as the Issuer), or without establishment of a Slovak branch on the basis of freedom of cross-border provision of services, are primarily subject to supervision by their home country regulators. However, since the Slovak Republic is a member of the euro area, the Slovak branch of the Issuer is also subject to measures taken by the ECB.

To the extent that the activities of the Slovak branch of the Issuer fall under the EU single passport regime, the general principle of home country supervision applies pursuant to the CRD IV and the Slovak branch of the Issuer is supervised by the CNB. Consequently, the NBS's supervision over the Slovak branch of the Issuer should, in principle, be limited to the supervision of the liquidity of the Slovak branch of the Issuer and compliance with anti-money laundering and counter-terrorism rules pursuant to the Slovak Anti-Money-Laundering Act. Since Slovakia forms part of the Eurozone, the Slovak branch of the Issuer is also subject to the monetary policy regulations set by the ECB.

Further, the Slovak Financial Market Supervision Act also extends the NBS supervision in the area of protection of financial consumers and other clients of Slovak branches of foreign banks relating to the offering or provision of financial services or transactions with Slovak branches of foreign banks.

Considering that UniCredit S.p.A. (the sole shareholder of the Issuer) is included in the list of significant supervised entities published by the ECB, further implications of such ECB supervision may arise even with respect to the Slovak branch of the Issuer within the framework of the so-called Single Supervisory Mechanism.

Licensing

As a general rule, only companies that have been granted a banking licence by the NBS in compliance with the Slovak Banking Act are permitted to operate in the Slovak Republic as a bank. Exceptions apply to foreign banks established within the EEA which intend to provide banking services in the Slovak Republic through their Slovak branch, such as the Slovak branch of the Issuer, or on the basis of the freedom of cross-border provision of services. As noted, the Slovak branch of the Issuer provides banking services under the EU single passport regime.

Pursuant to the Slovak Banking Act applicable until 31 December 2017, a specific regime applied to mortgage business, where the Slovak branch of the foreign bank may have been authorized to conduct such business if the foreign bank was authorised to conduct mortgage business in its home country and upon obtaining a mortgage banking licence from the NBS subject to fulfilment of conditions stipulated in the Slovak Banking Act.

One of the conditions was that the borrowers of mortgage loans and owners of mortgage bonds issued in the Slovak Republic and the borrowers of mortgage loans and owners of mortgage bonds issued in the country of establishment of the foreign bank would be provided equal rights (including equal status in bankruptcy

proceedings). These rights must have been guaranteed at least to the extent of rights of borrowers on mortgage loans and mortgage bonds holders guaranteed under Slovak law.

A licence is issued for an indefinite period of time, it is not transferable and does not pass to the legal successor. It contains a list of the activities that the bank is permitted to perform. In some cases, licences also contain conditions the bank must meet prior to commencing a particular permitted activity or while performing that activity. Some of the activities listed in the licence, such as the provision of investment services and certain custodian services, may be conditional upon the receipt of a special authorisation.

Slovak Regulation of Covered Bonds

Pursuant to an amendment to the Slovak Banking Act, which applies as of 1 January 2018, a substantially new Slovak regulation for covered bonds applies.

The former concept of Slovak Mortgage Covered Bonds was replaced by a new concept of Mortgage Covered Bonds (in Slovak, krytý dlhopis) (the **New Slovak Mortgage Covered Bonds**), which similarly to the existing Slovak Mortgage Covered Bonds, are covered by a specific ring-fenced pool of assets for the benefit of the holders of the New Slovak Mortgage Covered Bonds. However, branches of EEA-established banks, such as the Issuer, are not allowed to issue the New Slovak Mortgage Covered Bonds, as this option is reserved only to domestic banks. Therefore, the Issuer is not able to issue new issues of the Slovak Mortgage Covered Bonds or the New Slovak Mortgage Covered Bonds from 1 January 2018. Any outstanding issues of the Slovak Mortgage Covered Bonds of the Issuer should not be affected by the approved amendment to the Slovak Banking Act as they will be governed by the rules applicable until 31 December 2017

Activities Requiring Prior Consent of or Notification to the NBS

In several cases, the Slovak Banking Act requires a Slovak branch of foreign bank to apply for consent from the NBS or to notify the NBS before executing particular transactions or operations.

For instance, a prior consent of the NBS is required for the provision of information to third parties subject to banking secrecy in relation to the sale of Slovak branch or its part.

A notification to the NBS is required, without limitation: (i) where a Slovak branch does not publish information that it is obliged to publish because of their immaterial, internal or confidential nature; and (ii) of the identity of a Slovak branch's auditor.

Significant Branch

In accordance with the CRD IV, enhanced cooperation mechanism can be established between the regulators in the host and home countries in respect of branches considered significant. This entails mainly provision of information, e.g. in relation to the risk assessment and consulting of operational steps required in relation to implementation of recovery plans.

The NBS may request that competent authority of the home member state of a foreign bank considers its Slovak branch as significant. The branch of the foreign bank can be considered significant with particular regard to the following: (i) whether the market share of the branch in terms of deposits exceeds 2 per cent. in the host state; (ii) the likely impact of a suspension or closure of the operations of the institution on systemic liquidity and the payment, clearing and settlement systems in the host state; (iii) the size and importance of the branch in terms of the number of clients within the context of the banking or financial system of the host state.

As of the date of this Prospectus, the Slovak branch of the Issuer is not considered a significant branch in accordance with the CRD IV.

Minimum Reserves

Under the Act on NBS, the NBS may require banks, foreign bank branches and credit unions to hold a pre-specified amount of liquid funds, known as minimum required reserves, in accordance with the Eurosystem rules on accounts with the NBS. The ECB applies a uniform positive reserve ratio to most of the balance sheet items included in the reserve base. Since 18 January 2012, the reserve ratio is 1 per cent.

Liquidity Rules

Under the Slovak Banking Act and the NBS Regulation No. 18/2008 on Liquidity of Banks and Branches of Foreign Banks and Process of Liquidity Risk Management of Banks and Branches of Foreign Banks, as amended, banks and branches of foreign banks operating in the Slovak Republic are required to monitor and manage liquidity risk. The Slovak branch of the Issuer is required to establish a strategy for the management of liquidity risks and monitor liquidity on a daily basis for each individual major currency in which it deals, and on the aggregate level for all currencies. The Slovak branch of the Issuer must also maintain a stable and diversified funding portfolio and manage relationships with their principal creditors.

Disclosure of Information

Banks and branches of foreign banks are required to disclose and file with the NBS a number of reports related to liquidity and other matters. The form of the reports is established by several NBS decrees.

MORTGAGE LOANS AND THEIR REGULATORY FRAMEWORK

This section contains selected information on certain aspects of the regulation of mortgage loans in the Czech Republic and Slovakia. The information in this section is intended to provide a brief overview of the regulation of mortgage loans in the Czech Republic and Slovakia which affects the Issuer and it is not intended to provide a comprehensive or complete description of regulation of mortgage loans in the Czech Republic and Slovakia.

Mortgage Loans and their Regulatory Framework in the Czech Republic

Mortgage Bank as Pledgee

The Issuer qualifies as a mortgage bank which, as the mortgagee, generally enjoys enhanced protection with regard to the receivables or parts of those receivables under Mortgage Loans which constitute Cover Assets included in the Cover Pool, which are used to cover the obligations of the Issuer from the Czech Mortgage Covered Bonds (i.e., their aggregate nominal value and the value of the proportionate yield).

There are several methods to enforce a pledge over real property securing a Mortgage Loan. Where real property securing a Mortgage Loan is sold by way of judicial auction according to the Civil Procedure Code, the receivables of the Issuer as a mortgage bank (or as the mortgagee) will be satisfied in priority to any other receivables of all other creditors of the mortgagor and shall be satisfied immediately following only the deduction of the costs associated with the foreclosure auctions and with the administration of a respective building and tract of land (up to one tenth from the auction's proceeds).

Since 1 May 2000, a creditor whose claim is secured by a mortgage over real property does not need to resort to the sale of that property by way of judicial auction even in cases where the owner of the real property disagrees with the sale of the real property. According to Czech Act No. 26/2000 Coll., on Public Auctions, as amended (the **Czech Public Auctions Act**), the mortgagee may propose the implementation of an involuntary public auction, **provided that** the receivable has been confirmed by an enforceable court decision, enforceable arbitral decision or was documented by way of an enforceable notarial deed, which contains the particulars prescribed by applicable law.

A valuation of the real property in public auction must be prepared in the form of an expert opinion and must not be older than six months as of the date of the auction. Information, the publication of which is required by law, or information published voluntarily by the auction participants is publicly accessible on a designated website.

From the moment when the mortgagor of the real property receives written notice from the mortgagee of its intention to enforce the rights arising from the mortgage any legal steps undertaken by the mortgagor leading to the disposal, encumbrance or leasing of the Mortgaged Property or to the creation of new obligations that decrease the value of the Mortgaged Property or limit the ability to dispose of the Mortgaged Property are invalid. This limitation does not apply in cases where the object of the public auction has not been auctioned off or if the auction was nullified and a replacement auction is not scheduled or if the auctioneer cancelled the auction or if the auction was declared null and void.

After deducting the costs associated with the public auction from its proceeds, claims of the creditors are satisfied in the following order: (i) claims relating to the administration of a respective building and tract of land (up to one tenth from the auction's proceeds) and claims secured by a possessory lien; (ii) claims based on a Mortgage Loan covering the obligations arising from Czech Mortgage Covered Bonds (i.e., their aggregate nominal value); (iii) claims secured by a mortgage or by a restriction on the transfer of real property (where more of these mortgages are attached to the object of the auction such claims shall be satisfied according to the order of their origination); and (iv) claims that constitute taxes, fees, public health insurance, social security insurance and contributions to the state employment policy, if these became due in the last three years prior to the auction and have been filed by the authorised auction creditors (where more such claims are filed by the auction creditors, such claims shall be satisfied proportionally).

The Civil Code effective as of 1 January 2014 has introduced two new methods of mortgage enforcement. These new methods, if agreed on in writing, may serve as alternatives to the sale of the real property in judicial or public auction.

The first new method of enforcement of a claim secured by a mortgage is the direct private sale of the real property. This method is only available where the parties expressly agreed on it in writing. The mortgagee may, at any time during the process of enforcement by way of the direct private sale, change the method of enforcement and sell the real property in public or judicial auction. The mortgagor must be notified about such a change in due course. The mortgagee is not entitled to sell the real property prior to the day falling thirty days from (i) delivery (or deemed delivery under the terms of Czech law) of the mortgagee's notification of the commencement of enforcement to the mortgagor; or (ii) the inscription of the commencement of enforcement of the mortgage into the Czech Real Property Register, depending on which of the events set out under paragraph (i) or (ii) occurs later. Should the mortgagee enforce the mortgage by a sale that does not qualify as a sale in the public auction under the Czech Public Auctions Act, the mortgagee has a duty to proceed with expert care, in a manner which ensures that the real property is sold at standard market price and other standard market conditions and at the same time to pursue not only its own interests, but also the interests of the mortgagor.

Without undue delay after the sale of the real property, the mortgagee is obliged to provide the mortgagor with a report in writing, containing information about the sale, expenses incurred in the course of the sale, as well as information about the proceeds of the sale and their subsequent use.

The other new method of mortgage enforcement is the mortgagee's option to accept the real property as satisfaction for the secured debts. This alternative, like the enforcement by way of direct private sale, must be agreed on in writing.

Mortgage agreements relating to the Mortgaged Property generally include detailed provisions governing the option for the benefit of the Issuer to enforce the mortgage by way of direct private sale.

Regardless of the choice of enforcement method, the mortgagee is always entitled to reimbursement for necessarily and reasonably incurred expenses associated with the enforcement.

Furthermore, irrespective of the method of enforcement, the mortgagee must always notify the mortgagor in writing of the commencement of mortgage enforcement. In this notice the mortgagee shall specify the method which will be used to enforce the claim. The mortgagee cannot proceed with the enforcement of the mortgage prior to the day falling 30 days from the delivery of such notice, unless such mortgage secures consumer loan for housing purposes, in which case the standstill period extends to 6 months. Due delivery of the written notice has significant effects on the mortgagor's dispositional rights as the mortgagor may not, from the moment when the mortgagor receives the written notice, dispose of the real property without the mortgagee's consent. Disposition made without such consent might be void; however, a breach of this prohibition does not affect the validity of a purchase agreement entered into in the ordinary course of business, unless the purchaser must have known about the commencement of enforcement.

The information relating to the changes introduced by the Civil Code are without prejudice to, and should be read in conjunction with the section headed The value of the Eligible Assets in the Cover Pool might be adversely affected by the unenforceability of legal documentation relating to the Mortgage Loans and mortgage agreements relating to the Mortgaged Property entered into or substantially amended after 31 December 2013 of this Base Prospectus.

If the borrower under a Mortgage Loan is declared insolvent and the Issuer duly registers its claim in the insolvency proceedings, the Issuer as a mortgage bank (or as the mortgagee) will qualify as a secured creditor. However, the position of the Issuer as a secured creditor can be challenged in the insolvency proceedings. Following such a challenge filed by an Insolvency Administrator or another creditor, the Issuer would have to file an action with the insolvency court demanding that the receivable arising from the Mortgage Loan be recognised as a secured receivable. Should the Issuer be recognised as a secured creditor, it would be entitled to have its claim satisfied from the borrower's assets that are subject to a first ranking security created in favour of the Issuer at any time after the decision on resolution of the borrower's insolvency by liquidation of the borrower's assets (in Czech, konkurs). Secured creditors are, after deduction of costs of administration (up to 4 per cent. of liquidation proceeds from the relevant asset) and liquidation (up to 5 per cent. of liquidation proceeds from the relevant asset) and remuneration of the Insolvency Administrator, satisfied from the proceeds of the liquidation of that asset in the order in which the legal grounds of their entitlement to such satisfaction from that particular asset arose. The priority of a statutory lien is determined on the basis of the date when it was inscribed into the Czech Real Property Register.

The Mortgage Code of Conduct

The Issuer has acceded to the Mortgage Code of Conduct created under the auspices of the European Commission (the **Code**). Under the Code, the Issuer obliged itself to a transparent approach and to the adequate disclosure of information concerning mortgage loans.

The Code is one of a number of pan-European attempts to establish voluntary rules for the granting of mortgage loans. The Code forms a part of the European Agreement on a Voluntary Code of Conduct on Pre-contractual Information for Home Loans (the **European Mortgage Code Agreement**), which aims to ensure that clients are provided with access to information about housing loans, and that this information is being presented in the same form and in the same manner throughout the entire European Union. The European Mortgage Code Agreement was signed by European representatives of associations of credit institutions and consumer organisations in March 2001. The Czech Banking Association acceded to the Code in September 2005. The Issuer also acceded to the Code in September 2005.

The Mortgage Credit Directive and the Czech Consumer Credit Act

The Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property (the **Mortgage Credit Directive**) has been transposed into Czech law in the Czech Consumer Credit Act, which became effective as of 1 December 2016.

The Czech Consumer Credit Act stipulates that certain information must be provided to each potential customer by a mortgage bank in a form determined by the Czech Consumer Credit Act prior to the execution of the loan agreement. Each loan agreement must be made in writing and must contain all the information required by the Czech Consumer Credit Act. A failure to provide certain information regarding the pricing of the loan can affect the interest rate applicable to the loan. If any of the interest rate, the annual percentage rate of charge (the **APRC**) or the total amount payable by the customer is not included in the loan agreement, or such information was not provided in writing, the customer shall pay the interest equal to the repo interest rate issued by the CNB as at the date of the respective agreement. The Czech Consumer Credit Act also stipulates that if the interest rate and the total amount payable by the customer included in the loan agreement do not correspond, the provision more favourable to the customer shall apply. If the APRC included in the loan agreement is calculated incorrectly and the correct APRC is higher, the interest rate applicable to the loan shall be lowered to correspond to the APRC included in the loan agreement.

The Czech Consumer Credit Act stipulates that customers are entitled to fully or partially prepay a consumer loan (including a mortgage loan) at any time before its due date. The customer can be charged only the costs reasonably incurred by the mortgage bank in connection with the prepayment. However, the mortgage bank cannot claim the costs it incurred in case of (i) a prepayment made within three months after the mortgage bank informed the customer of a new interest rate applicable to the loan; or (ii) a prepayment made in connection with a death, long-term illness or disability of the customer or his spouse or partner, which materially impaired the customer's ability to repay the loan; or (iii) a partial prepayment of no more than 25 per cent. of the loan amount, provided that the repayment was made during a month preceding an anniversary of the loan agreement. If the mortgage loan was prepaid in connection with the sale of the asset securing the loan, the mortgage bank can claim the costs not exceeding 1 per cent. of the prepaid amount and no more than CZK50,000, provided that the loan agreement was entered into at least 24 months prior to the prepayment date.

The CNB Recommendations

On 8 July 2020, the CNB published an updated non-binding recommendation regarding the retail mortgage risk management (the **Recommendation 2020**), which replaced the previous recommendation published on 1 April 2020.

The Recommendation 2020 contains a recommended 90 per cent. LTV limit for retail loans secured by real property. The Recommendation 2020 uses the concept of reference volume for retail loans secured by residential property which is one-half of the sum of all retail loans secured by residential property provided in the previous two quarters or, for consumer credit not secured by residential property, one-half of the sum of consumer credit not secured by residential property provided in the previous two quarters to clients who already have a retail loan secured by residential property. The Recommendation 2020 covers banks and credit unions providing retail mortgage loans as well as all providers granting consumer loans to customers who have already entered into a retail mortgage loan agreement (the **Providers**). However, there are new rules under which the applicability of

certain paragraphs of the Recommendation 2020 may be transferred to the group level, provided that (i) the respective Providers included in such group would notify the CNB of this procedure; (ii) the CNB supervises the Providers included in the group; (iii) such Providers are either controlling and controlled entities or controlled by the same controlling entity; and (iv) a Provider responsible for collective compliance with the Recommendation 2020 has been appointed on behalf of the group. If these conditions are fulfilled, the Providers may set an internal limit for the admissible exemptions of the limit stating, that the new retail loans provided in the relevant calendar quarter secured by residential property with an LTV exceeding 90 per cent. shall not exceed 5 per cent. of the reference volume of retail loans secured by residential property or the reference volume of retail loans not secured by residential property, provided that the internal limits should under no circumstances exceed the recommended limits by more than one-third for the individual Providers included in the group.

The debt-to-income (**DTI**) ratio and the debt service-to-income (**DSTI**) ratio shall be set by each Provider pursuant to its internal criteria, whereas the Providers should particularly prudently assess the loan applications of clients whose DTI ratio exceeds eight and DSTI ratio exceeds 40 per cent.

The Recommendation 2020 also discourages the Providers from bypassing the LTV ratio by providing their customers with parallel secured or unsecured financing. The Providers were also encouraged to proceed prudently when appraising mortgaged asset and take into account their potential overvaluation.

Pursuant to the Recommendation 2020, mortgage loans should not be provided for a period exceeding the expected economic activity of the borrower and, in principle, they should not be provided for a period exceeding 30 years and for a period exceeding 8 years in case of unsecured mortgage loans (except for the mortgage loans provided under the construction savings (in Czech, stavební spoření) scheme).

The Providers were also encouraged to proceed prudently when appraising mortgaged assets in connection with refinancing of existing secured mortgage loans, especially when the loan principal amount is to be increased by more than 10 per cent. or CZK200,000.

The Providers were also encouraged to proceed prudently when cooperating with mortgage brokers, particularly having regard to a potential conflict between their interests.

As of the date of this Prospectus, the Issuer complies with the Recommendation 2020.

Recent Czech Regulatory Developments Relating to the Recent COVID-19 Outbreak

Legislative measures such as the proposed temporary changes to Czech insolvency law, which are part of the COVID-19 Insolvency Act, cause the debtor's obligation to file for insolvency (provided that the statutory conditions are met). This suspension shall last for the duration of such extraordinary measures and a further period of six months thereafter, although not beyond 30 June 2021, the date having been pushed from the original date of 31 December 2020 by the COVID-19 Insolvency Amendment Act. In addition, debtors were to be temporarily protected from insolvency petitions filed by their creditors as any such petitions filed until the end of August 2020 were to be disregarded and no entries of commencement of insolvency proceedings were to be made in the on-line Insolvency Register. Creditors needed to file a new insolvency petition after the end of August 2020 to effectively commence insolvency proceedings.

Under the Czech Insolvency Act, as amended, debtors with their centre of main interest in the Czech Republic are entitled to file for an Insolvency Moratorium until 30 June 2021 assuming that the debtor was not insolvent as of 5 October 2020 and has not filed for the Insolvency Moratorium previously. The Czech Insolvency Act as amended by the COVID-19 Insolvency Amendment Act also stipulates that if an Insolvency Moratorium in relation to a particular debtor was declared before the end of August 2020, the condition requiring the approval of creditors for an extension of the Insolvency Moratorium will not apply and the court may extend the duration of the Insolvency Moratorium by no more than an additional three months solely upon the debtor's request.

The effects of the Insolvency Moratorium include the following: (i) the debtor could be sued although judgments could not be enforced against it; (ii) it would not be possible to create new security over the debtor's assets or to enforce existing security; (iii) the court will not be in a position, for the period of the Insolvency Moratorium, to declare the debtor insolvent even after a creditor files an insolvency petition; (iv) set-offs would generally be permitted; (v) the debtor should generally refrain from undertaking any material transactions, unless they are within the ordinary course of the debtor's business; (vi) counterparties would not be entitled to terminate or refuse to perform certain essential pre-existing contracts as long as the debtor continues to pay at least its claims arising

during the moratorium; and (vii) although the Insolvency Moratorium itself does not provide the debtor with any payment holiday, the debtor could nevertheless prioritise payment of debts incurred during the Insolvency Moratorium.

Further, the COVID-19 Insolvency Act introduces certain exceptions and specific provisions (including application for relief, limitations in respect of enforcement of judicial decisions and occurrence of the debtor's default) that may potentially lead to prolongation of the debt enforcement proceedings as well as the process of enforcement of security interests.

General Conditions of the Market

Main competitors

More than a dozen banks currently operate on the mortgage market in the Czech Republic. The main mortgage lenders, in addition to the Issuer, are Komerční banka, a.s., Česká spořitelna, a.s., Československá obchodní banka, a.s., Raiffeisenbank a.s., Hypoteční banka, a.s. and MONETA Money Bank, a.s.

Housing market

According to March 2011 census, there were about 4.375 million dwellings in the Czech Republic and there is no overall housing deficit. Imbalances result mainly from the unequal distribution of the housing stock. On the other hand, the housing stock is largely neglected and the total required cost for its maintenance and repair are estimated in the order of tens of billions of Czech crowns.

The following table illustrates the current structure of the housing stock in terms of housing types according to the latest March 2011 census:

Rental housing:	31 per cent.
Co-operative sector:	20 per cent.
Owner-occupied housing:	49 per cent.

Real property under the Civil Code

The Civil Code effective as of 1 January 2014 introduced a different legal concept of real property in the Czech Republic, which has also certain implications for existing mortgages.

The Civil Code has reintroduced the superficies solo cedit principle into Czech private law. In accordance with this principle, a building is considered as part of a plot of land upon which it is erected. Consequently, the building on its own is not capable of being sold or mortgaged. This might raise the question of whether a mortgage over a plot of land entered into prior to 1 January 2014 automatically extends to the building erected on such a plot of land (and vice versa) on the day on which the Civil Code became effective. The Civil Code provides certain exceptions to the superficies solo cedit principle, including (without limitation) the situation in which either a plot of land or a building erected on it is mortgaged in favour of a third party and the nature of this mortgage is irreconcilable with the plot of land and the building being legally treated as one legal object. As a result, in most situations where a plot of land or a building is subject to a mortgage, the plot of land and building will continue to exist as separate legal objects and an encumbrance weighting on one of these assets will not extend to the other.

Secondly, the Civil Code established a pre-emption right over buildings in favour of owners of the underlying land and vice versa, provided that the relevant plot of land and the relevant building are not treated as a single legal object. The statutory pre-emption right must be respected in case of any disposal with the respective building or land. Therefore, if a mortgagee wishes to sell Mortgaged Property encumbered by such a pre-emption right, the building or plot of land should, in the first instance, be offered to the beneficiary of the pre-emption right. Even if not exercised, the pre-emption right survives the sale of the real property and continues to exist.

State housing assistance programmes

The state of the Czech Republic is no longer acting as an active investor on the housing market and does not own housing stock. However, at the same time, it respects the particularities of the housing market, which necessitate a certain degree of state intervention. Financial intervention by the state is concentrated into several basic areas such as promoting the construction of rental housing and technical infrastructure, support for the repair of housing stock and the provision of state loans for repairs, modernisation and expansion of the housing stock. The implementation of the above mentioned support for housing is carried out primarily through the Ministry for Regional Development and the State Investment Support Fund (in Czech, *Státní fond podpory investic*).

The following programmes for the support of housing and for the repair of housing stock are in effect as of the date of this Base Prospectus:

Support in the area of housing financed by the Ministry for Regional Development:

- Support for housing in areas with strategic industrial zones which aims to support the development of rental housing in the areas affected by rapid growth of job opportunities by increasing the number of rental dwellings for permanent housing.

- Support for building and creating new supported dwellings which would be used in connection with provision of the social services to persons who are economically inactive due to either their age or their special needs arising from their unfavourable social situation.

- Support for the adaptation of existing residential buildings with the aim of improving their accessibility through the incorporation of basic access features at entrances and the installation of elevators where technically possible.

Support in the area of housing financed by the State Investment Support Fund:

- Loans for the purpose of construction and creation of social and affordable apartments and social, affordable and combined houses.

- Loans for the purpose of construction of rental apartments and houses or for the reconstruction of buildings provided to a specified group of people, persons under 30 years of age and persons whose homes were destroyed by a natural disaster.

- Loans for the purpose of purchase and modernization of housing for persons under 40 years of age who are taking care of a child of up to 15 years of age.

- Loans for the purpose of repairs and modernization of residential buildings comprised of at least four apartments called "Panel 2013+".

- Loans for the purpose of modernization and reconstruction of residential buildings which aims to increase their energy-efficiency and related performance.

- Aid related to natural disasters – low-interest loans and grants for amelioration of the consequences of natural disasters.

Additionally, there are also subsidies in place financed by the Ministry of the Environment through the programme "Nová zelená úsporám" (New Green for Savings), a grant programme funded by the sale of emission allowances for the support of renewable resources and for energy saving.

The Business Strategy of the Issuer

In connection with the continuing economic development in the Czech Republic, the Issuer expects that there should be preconditions for its business activities in the field of mortgage banking. The Issuer is closely tracking the market changes connected to the market situation in 2021. The Issuer's strategy is to provide mortgage loans within a complete portfolio of products (see section Description of the Issuer – Business Overview of the Issuer).

Credit Management

The Issuer's strategy in the area of loans is to grant a loan on the basis of the demonstrable ability of the borrower to generate strong cash flow through his or her activities, sufficient to repay the debt regardless of whether the debt is a mortgage or another type of loan.

The goal of the credit assessment process is to prepare a true picture of the client's status; this analysis attempts to uncover any known significantly negative factors relating to the client that could lead the client into serious financial distress (see section Risk Management – Credit Risk – Credit Risk Management at Individual Client Level).

Securing of Loans

The Issuer secures its receivables or parts of those receivables under the Mortgage Loans by mortgages over the Mortgaged Property, which must meet the relevant statutory requirements.

In broad terms, the Issuer accepts not only completed buildings (approved for use), but also buildings or properties under construction, flats and commercial spaces as the subject of a mortgage. Buildings can be located on the land of the mortgagor or on the land belonging to a third party. A mortgage over a building on the land belonging to a third party might be accepted by the Issuer, but only if there is: (i) an easement right established in favour of the building located on such a land belonging to a third party; (ii) a loan contract; (iii) a lease contract for at least the duration of the loan relationship; or (iv) if the client submits an agreement for a future contract for the relevant land containing conditions for sale of land that are satisfactory for the Issuer.

The Mortgaged Property, which the Issuer accepts, is valued in accordance with the Issuer's own methodology. If a mortgage loan is on the borderline of being an acceptable risk, the Issuer usually requires additional security for the debt.

Appraisal of Properties

The Issuer ascertains the Mortgaged Lending Value in accordance with the applicable law. The Mortgaged Lending Value for the purposes of issuing Czech Mortgage Covered Bonds and for the purposes of bank lending in the open market is based on the market value estimated by an independent appraiser.

The Issuer has developed its own methodology for the appraisal of the Mortgaged Property and has established an organisational unit whose job is to methodically guide the external appraisers and departments dealing with lending activity within the Issuer. The Issuer's methodology, based on the fundamental principles of a market valuation of real property that is in line with recognised international standards, is generally used for valuations. This methodology determines the market value and the "future value" (after the completion of unfinished work). The Issuer understands the market value is generally based on comparable evidence of other properties, i.e. material, yield and correlation, and in particular on local knowledge, market conditions, status and utilisation of the evaluated property. The appraisal of the market value is usually submitted to the Issuer by external collaborators which are appraisers who follow the methodology of the Issuer. Prior to making the appraisal, the appraiser is required to collect all the necessary documents relating to the properties, including photographs, and to carry out a physical inspection. Prudence is applied in analysing the available information during the valuation process. The methodology is in accordance with the rules set out in section 29 of the Czech Bonds Act.

Contractual Arrangements of the Loan Relationship

Conditions for granting, utilisation and repayment of the loan between the Issuer and the clients are regulated in bilateral credit agreements, loan contracts or similar contracts constituting a mortgage loan. The essential preconditions for the utilisation of a mortgage loan are the creation or application for registration of a mortgage over the real property, insurance on a building (if relevant) and the full restriction of transferability of the real property. Mortgage loans for construction, reconstruction, modernisation or repair are typically utilised gradually. Mortgage loans which are extended to purchase real properties, refinance the existing loans or credits or settle the ownership of the real property would typically be drawn by the borrower in a single lump-sum.

The interest rate in the contract for the provision of the mortgage loan is agreed as fixed, with a set duration, which, in accordance with the client's choice, can be established from one up to ten years. Before the expiration

of this stipulated period the Issuer will notify the client about the new interest rate. If the client does not agree with the change in the interest rate, the loan may be accelerated on the date of the expiration of the current interest period, unless the parties agree otherwise. The client is obliged to repay the mortgage loan in the form of monthly annuity payments. For selected products (e.g. mortgages combined with life insurance) a different payment model can be utilised, e.g. monthly payment of interest and repayment of principal at the end of the agreed maturity. The Issuer has the right to collect payments from a client's current account, which is established for this purpose.

The client is entitled to the early repayment of the loan. In such case the Issuer is entitled to compensations for the costs actually incurred in connection with the early repayment up to the limit pursuant to the Czech Consumer Credit Act (see section Mortgage Loans and their Regulatory Framework The Mortgage Credit Directive and the Czech Consumer Credit Act).

The Issuer, in accordance with the contract for the mortgage loan, may also charge the client, in addition to the interest on the loan, also the interest on arrears, up to the interest rate stipulated in the loan contract plus an amount in accordance with the applicable tariff (in each case, subject to limits of applicable laws). In accordance with the loan contract, the Issuer may take additional measures to protect its interests, especially to restrict or terminate the utilisation of the loan, increase the interest rate on the loan or require its early repayment.

Mortgage Loans and their Regulatory Framework in Slovakia

Mortgage Bank as Pledgee

The Slovak branch of the Issuer is licensed to provide mortgage loans in Slovakia. Since mortgage loans provided by the Issuer in Slovakia are secured by mortgage over real estate owned by the relevant borrowers, the Issuer acting through its Slovak branch as the mortgagee, enjoys enhanced protection with regard to the receivables or parts of those receivables under Mortgage Loans which constitute Ordinary Cover Assets included in the Cover Pool used to cover the obligations of the Issuer from the Czech Mortgage Covered Bonds (i.e., their aggregate nominal value and the value of the proportionate yield).

In case of a default, the Slovak branch of the Issuer as a mortgagee may enforce its rights towards a mortgagor (i) in a manner specified in the mortgage agreement (e.g. in direct private sale or a public tender pursuant to provisions of the Slovak Commercial Code), (ii) through voluntary auction pursuant to Slovak Act No. 527/2002 Coll., on voluntary auctions and supplementing the Act No. 323/1992 Coll. on Notaries (Notarial Code), as amended, or (iii) by execution.

Irrespective of the method of enforcement, the mortgagee must always notify the mortgagor in writing of the commencement of mortgage enforcement. In this notice the mortgagee shall specify the method which will be used to enforce the claim. The mortgagee cannot proceed with the enforcement of the mortgage prior to the day falling 30 days from the delivery of such notice. Due delivery of the written notice has significant effects on the mortgagor's dispositional rights as the mortgagor may not, from the moment when the mortgagor receives the written notice, dispose of the real property without the mortgagee's consent. Disposition made without such consent might be void; however, a breach of this prohibition does not affect the validity of a purchase agreement entered into in the ordinary course of business, unless the purchaser must have known about the commencement of enforcement. The mortgagee may, at any time during the process of enforcement change the method of enforcement. The mortgagor must be notified about such a change in due course.

The execution proceeding requires an enforcement order of the court and an estimate of the value of the auctioned real property.

If agreed in a mortgage agreement, a mortgage may be enforced by means of a direct private sale of the real property or a public tender pursuant to the provisions of the Slovak Commercial Code. The mortgagee is not entitled to sell the real property prior to the day falling thirty days from (i) delivery of the mortgagee's notification of the commencement of enforcement to the mortgagor or (ii) inscription of the commencement of enforcement of the mortgage into the Slovak Real Property Register, depending on which of the events set out under (i) or (ii) occurs later, unless the mortgagee and mortgagor agree on the earlier sale after the delivery of the notification.

Without undue delay after the sale of the real property, the mortgagee is obliged to provide the mortgagor with a report containing information about the sale, expenses incurred in the course of the sale, as well as information about the proceeds of the sale and its subsequent use.

The mortgagee has a duty to proceed with due care, in a manner which ensures that the real property is sold at standard market price and other standard market conditions and at the same time to defend not only its own interests, but also the interests of the mortgagor.

Regardless of the choice of enforcement method, the mortgagee is always entitled to reimbursement for necessarily and reasonably incurred expenses associated with the enforcement.

If the borrower under a Mortgage Loan is declared insolvent, the Slovak branch of the Issuer as a mortgage bank (or as the mortgagee) will qualify as a secured creditor. The position of the Issuer acting through its Slovak branch as a secured creditor can be challenged in insolvency proceedings. Following such a challenge filed by an Insolvency Administrator, the Issuer acting through its Slovak branch would have to file an action with the insolvency court demanding that the receivable arising from the Mortgage Loan be recognised as a secured receivable. Should the Issuer acting through its Slovak branch be recognised as a secured creditor, it would be entitled to have its claim satisfied from the borrower's assets that are subject to a first ranking security created in favour of the Issuer at any time after the decision on resolution of the borrower's insolvency by liquidation of the borrower's assets (in Slovak, konkurz). Secured creditors are, after deduction of costs of administration and liquidation of the relevant asset and remuneration of the Insolvency Administrator, satisfied from the proceeds of the liquidation of that asset in the order in which the legal grounds of their entitlement to such satisfaction from that asset arose. The ranking of a statutory lien is determined on the basis of the date when it was inscribed into the Slovak Real Property Register.

Tax bonus for mortgage loans for persons under 35 years of age

After the amendment of the Slovak Act No. 595/2003 Coll. on Income Tax, the state, since 1 January 2018, does not directly grant subsidies to persons under 35 years of age from the state budget for the acquisition of housing anymore. Instead of being provided with a subsidy by the state, the eligible persons are entitled to seek a tax bonus from the interest paid on their mortgage loan. The tax bonus would amount to 50 per cent. of the interest paid in the relevant tax period but not more than EUR400. The tax bonus is only calculated from a maximum amount of EUR50,000 per mortgage loan per residential property.

Allowances for mortgage loans for newlyweds

In addition to the tax bonus, the Slovak Banking Act defines the conditions for granting more favourable rates for loans to recently married persons (i.e. newlyweds with marriage lasting not more than 2 years), both under 35 years of age, from the state budget. It is the percentage by which the state reduces the interest rate stipulated in the loan (the State Subsidy for Newlyweds). The precise amount of the State Subsidy for Newlyweds is defined yearly in the Slovak Act on State Budget (currently Slovak Act No. 425/2020 Coll., on State Budget for 2021, as amended). The current subsidy provided by the state is 3 per cent. p.a. The State Subsidy for Newlyweds will be provided for a loan of up to EUR10,000.

The Mortgage Credit Directive and the Slovak Mortgage Loans Act

Under Slovak Mortgage Loans Act implementing Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property (the Mortgage Credit Directive) the Slovak branch of the Issuer must comply with several obligations in relation to the loans provided in relation to the housing, including mortgages (i.e. Other Slovak Mortgage Loans. These obligations are mostly connected to informing of a borrower, advertising of financial products, APRC and regular evaluation of the ability of the borrower to repay the Other Mortgage Slovak Loan.

If the Other Mortgage Slovak Loan agreement (i) is not concluded in the written form, (ii) does not contain mandatory requirements under Slovak Mortgage Loans Act (e.g. APRC, total amount payable by the customer), or (iii) APRC in the Other Mortgage Slovak Loan agreement is incorrect and unfavourable to the customer, the Other Mortgage Slovak Loan is deemed to be interest-free and free of charge.

The Slovak Mortgage Loans Act stipulates that customers are entitled to fully or partially prepay the consumer loan at any time before its due date. Generally, the customer can be charged only the costs reasonably incurred by the mortgage bank in connection with the prepayment, which, however, shall not exceed, subject to certain exceptions, 1 per cent. of the prepaid amount of the consumer loan. The mortgage bank cannot claim the costs it incurred in case of (a) a prepayment made in connection with the change of interest rate applicable to the loan

where the mortgage bank informed the customer of a new interest rate at least two months before the change, or (b) a partial prepayment of no more than 20 per cent. of the loan amount, provided that the repayment was made during a month preceding an anniversary of the loan agreement.

Main competitors

Most banks in Slovakia provide residential and mortgage loans. The main mortgage lenders, in addition to the Issuer, are Tatra banka, a.s., Všeobecná úverová banka, a.s., Slovenská sporiteľňa, a.s., Československá obchodná banka, a.s. and Prima banka Slovensko, a.s.

TAXATION

The tax legislation of the Member State of the prospective purchasers of Mortgage Covered Bonds and the Issuer's country of incorporation may have an impact on the income received from the Mortgage Covered Bonds. Prospective purchasers of Mortgage Covered Bonds are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposition of Mortgage Covered Bonds, including the effect of any state or local taxes, under the tax laws of Czech Republic and each country of which they are residents or otherwise subject to taxation.

SUBSCRIPTION AND SALE

The Dealers have, in the Dealer Agreement dated 24 June 2021 (such Dealer Agreement as modified and/or supplemented and/or restated from time to time, the **Dealer Agreement**) agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Mortgage Covered Bonds. Any such further agreement will, inter alia, make provision for the terms and conditions of the relevant Mortgage Covered Bonds, the price at which such Mortgage Covered Bonds will be subscribed by the Dealers and the commissions or other agreed deductions (if any) payable by the Issuer in respect of such purchases.

In the Dealer Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Mortgage Covered Bonds under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

United States

The Mortgage Covered Bonds have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Mortgage Covered Bonds 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 United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 (the **Code**) and Treasury regulations promulgated thereunder. The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules (including any successor regulations or rules in substantially the same form as the TEFRA C rules or TEFRA D rules, as applicable, for the purposes of Section 4701 of the Code) apply or whether TEFRA is 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 will not offer, sell or deliver Mortgage Covered Bonds (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Mortgage Covered Bonds on a syndicated basis, the relevant lead manager, of all Mortgage Covered Bonds of the Tranche of which such Mortgage Covered Bonds are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Mortgage Covered Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Mortgage Covered Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Mortgage Covered Bonds, an offer or sale of such Mortgage Covered Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

European Economic Area

In relation to each Member State of the European Economic Area, 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 Mortgage Covered Bonds which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Member State except that it may, make an offer of such Mortgage Covered Bonds to the public in that Member State:

(a) if the Final Terms in relation to the Mortgage Covered Bonds specify that an offer of those Mortgage Covered Bonds may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State (a **Non-exempt Offer**), following the date of publication of a base prospectus in relation to such Mortgage Covered Bonds, which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, provided that any such base prospectus has subsequently been completed by the

Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such base prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of 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 Mortgage Covered Bonds referred to in paragraphs (b) to (d) above shall require the Issuer or any Dealer to publish a base prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a base prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an offer of Mortgage Covered Bonds to the public in relation to any Mortgage Covered Bonds in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Mortgage Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Mortgage Covered Bonds and the expression Prospectus Regulation means Regulation (EU) 2017/1129.

Prohibition of Sales to EEA Retail Investors

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 Mortgage Covered Bonds which are the subject of the offering contemplated by this Base 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 MiFID II; or

(ii) a customer within the meaning of 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; and

(b) the expression **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Mortgage Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Mortgage Covered Bonds.

United Kingdom of Great Britain and Northern Ireland (United Kingdom or UK)

Prohibition of sales to UK Retail Investors

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 Mortgage Covered Bonds which are the subject of the offering contemplated by the 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 point (8) of Article 2 of Regulation (EU) 2017/565 as it forms part of English 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**), 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 English law by virtue of the EUWA; or

(iii) not a qualified investor as defined in Regulation (EU) 2017/1129 as it forms part of English law by virtue of the EUWA (the **UK 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 Mortgage Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Mortgage Covered Bonds.

Each Dealer has represented, warranted and agreed that:

(a) *No deposit-taking*: in relation to any Mortgage Covered Bonds having 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 Mortgage Covered Bonds other than to persons (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or (B) 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 Mortgage Covered Bonds would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the **FSMA**) by the Issuer;

(b) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any 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 Mortgage Covered Bonds in circumstances in which section 21(1) of the FSMA does not, or, in the case of the Issuer would not, if it was not an authorised person, apply to the Issuer; and

(c) *General compliance*: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Mortgage Covered Bonds in, *from* or otherwise involving the United Kingdom.

Japan

The Mortgage Covered Bonds 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 appointed under the Programme will be required to represent and agree, that it will not offer or sell any Mortgage Covered Bonds, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), 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.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Mortgage Covered Bonds or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Mortgage Covered Bonds 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 nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer and the Dealers represents that Mortgage Covered Bonds 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.

GENERAL INFORMATION

Authorisation

The establishment and update of the Programme have been duly authorised by resolutions of the Board of Directors of the Issuer dated 6 May 2013, 21 June 2016, 31 October 2017, 26 May 2020 and 22 June 2021.

Approval of the Base Prospectus, listing and admission to trading of Covered Bonds

Application has been made to the CSSF to approve this document as a base prospectus in accordance with the Prospectus Directive. Application may be made to the Luxembourg Stock Exchange for Mortgage Covered Bonds issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange. The Regulated Market of the Luxembourg Stock Exchange is a regulated market for the purposes of the MiFID II (Directive 2014/65/EU) and MiFIR (Regulation (EU) No 600/2014) respectively.

Mortgage Covered Bonds which are unlisted or to be listed or admitted to trading, as the case may be, on another stock exchange or market may be issued under this Programme but only, in the case of Mortgage Covered Bonds listed or admitted to trading on another stock exchange or market, if the Issuer ensures that all laws and regulations are complied with including, amongst others, any applicable requirements for notifications of competent authorities and other requirements set out in the Prospectus Regulation.

The applicable Final Terms will state whether or not the relevant Covered Bonds are to be listed and admitted to trading and, if so, on which stock exchanges and markets.

The Mortgage Covered Bonds will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Mortgage Covered Bond will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency and save that the minimum denomination of each Mortgage Covered Bond will be EUR100,000 or, where it is a Mortgage Covered Bond to be admitted to trading only on a regulated market, or a specific segment of a regulated market, to which only qualified investors (as defined in the Prospectus Regulation) have access, EUR1,000 (or, if the Mortgage Covered Bonds are denominated in a currency other than euro, the equivalent amount in such currency).

Documents Available

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection from the registered office of the Issuer and from the specified office of the Paying Agent for the time being in London and, in the case of the documents listed under paragraphs (a), (b), (d) and (e), also on the Issuer's website www.unicreditbank.cz, where they will remain publicly available in electronic form for at least 10 years after their publication on the relevant websites:

(a) the Articles of Association (with an English translation thereof) of the Issuer, available at: section "*Debt Investor Relations*", sub-section "*Articles of Association of the Bank*";

(b) the consolidated audited financial statements of the Issuer in respect of the financial years ended 31 December 2020 and 2019 (drawn up in English or with an English translation thereof), in each case together with the audit reports prepared in connection therewith, available at: section "*Debt Investor Relations*", sub-section "*Annual reports*";

(c) the Programme Agreement, the Agency Agreement and the Asset Monitor Agreement;

(d) a copy of this Base Prospectus, available at: section "*Debt Investor Relations*", sub-section "*UniCredit Bank Czech Republic and Slovakia, a.s. International €5 bln Covered Bond Programme*"; and

(e) any future offering circulars, prospectuses, information memoranda, supplements and Final Terms to this Base Prospectus and any other documents incorporated herein or therein by

reference available at: section "*Debt Investor Relations*", sub-section "*UniCredit Bank Czech Republic and Slovakia, a.s. International €5 bln Covered Bond Programme*".

Clearing Systems

The Mortgage Covered Bonds have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records).

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. Further, Mortgage Covered Bonds may be cleared through Clearstream Banking AG, Frankfurt am Main (Mergenthalerallee 61, 65760 Eschborn, Germany).

The appropriate Common Code and ISIN for each Tranche of Mortgage Covered Bonds allocated by Euroclear and Clearstream, Luxembourg or Clearstream Banking AG, Frankfurt am Main will be specified in the applicable Final Terms. If the Mortgage Covered Bonds are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Final Terms.

Notification to the Czech National Bank

Pursuant to Section 8a of the Czech Capital Market Supervision Act, the issuance of each Series or Tranche of the Mortgage Covered Bonds must be notified to the CNB no later than on the date of issue of the relevant Mortgage Covered Bonds setting out the place of issue and amount of relevant Series or Tranche and the form, yield and maturity of the relevant Mortgage Covered Bonds.

Conditions for determining price

The price and amount of Mortgage Covered Bonds to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

Significant or Material Change

There has been no significant change in the financial performance or the financial position of the Issuer or the Group since 31 December 2020 and there has been no material adverse change in the prospects of the Issuer since 31 December 2020.

Litigation

Neither the Issuer nor any of its subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuer or the Group.

Material Contracts

Neither the Issuer nor any of its subsidiaries has entered into any contracts (excluding contracts entered into in the ordinary course of business) which are, or may be, material or which contain a provision under which the Issuer or any of its subsidiaries has an obligation or entitlement which is material to the Issuer's ability to meet its obligations to security holders in respect of securities to be issued under the Programme.

Auditors

The auditors of the Issuer are Deloitte Audit s.r.o. (the **Auditor**), members of the Chamber of Auditors of the Czech Republic, certificate No. 2045, who have audited the Issuer's accounts, without qualification, in accordance with International Standards on Auditing as of and for each of the financial years ended on 31 December 2020 and 31 December 2019.

The Issuer states that neither the Auditor nor any of its members has any significant interest in the Issuer. In connection with this statement, the Issuer especially took into account the Auditor's potential ownership of

securities issued by the Issuer, the Auditor's potential prior participation in any governing bodies of the Issuer, and/or the Auditor's potential affiliation with other entities involved in the Issue. The reports of the auditors of the Issuer are included or incorporated in this Base Prospectus with the consent of the auditors who have authorised the contents of that part of this Base Prospectus.

Post-issuance information

The Issuer does not intend to provide any post-issuance information, except if required by any applicable laws and regulations.

Interests of Natural and Legal Persons Involved in the Issue/Offer

Certain of the 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. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Mortgage Covered Bonds issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

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 the 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 Mortgage Covered Bonds issued under the Programme. Any such positions could adversely affect future trading prices of Mortgage Covered Bonds 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.

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APPENDIX I - FORM OF FINAL TERMS (GERMAN TRANSLATION)

This appendix contains the German translation of the Form of Final Terms set out in Chapter IV of the Base Prospectus. The Final Terms will be published in English language only whereas German translation of the Final Terms as set out in this Appendix I may be prepared for reference.

ENDGÜLTIGE BEDINGUNGEN – MUSTER

Die in den nachfolgenden endgültigen Bedingungen (die **Endgültigen Bedingungen**) verwendeten Begriffe haben die gleiche Bedeutung wie in den Emissionsbedingungen für die Schuldverschreibungen gemäß Basisprospekt (sowie den dazugehörigen Nachträgen, soweit vorhanden) (die **Schuldverschreibungsbedingungen**).

[**VERTRIEBSVERBOT AN PRIVATINVESTOREN IM EWR UND IM VEREINIGTEN KÖNIGREICH** – Die Schuldverschreibungen sind nicht dazu bestimmt, dass sie Privatinvestoren im Europäischen Wirtschaftsraum (**EWR**) oder im Vereinigten Königreich angeboten, verkauft oder auf anderem Wege zur Verfügung gestellt werden und die Schuldverschreibungen sollen dementsprechend Privatinvestoren im EWR oder im Vereinigten Königreich nicht angeboten, verkauft oder auf anderem Wege zur Verfügung gestellt werden. Ein Privatinvestor im Sinne dieser Vorschrift ist eine Person, die mindestens einer der folgenden Kategorien zuzuordnen ist: (i) ein Kleinanleger im Sinne von Artikel 4 Absatz 1 Nummer 11 von Richtlinie 2014/65/EU (in ihrer jeweils ergänzten Fassung, **MiFID II**); oder (ii) ein Kunde im Sinne von Richtlinie 2016/97/EU (in ihrer jeweils ergänzten Fassung, die **EU-Versicherungsvertriebsrichtlinie**), der nicht als professioneller Kunde im Sinne von Artikel 4 Absatz 1 Nummer 10 MiFID II einzustufen ist. Folglich wurde kein Informationsdokument, wie nach Verordnung (EU) Nr. 1286/2014 (in ihrer jeweils ergänzten Fassung, die **PRIIPS-Verordnung**) für Angebot, Vertrieb oder sonstige Zurverfügungstellung der Schuldverschreibungen an Privatinvestoren im EWR oder im Vereinigten Königreich erforderlich, erstellt und dementsprechend könnte das Angebot, der Vertrieb oder die sonstige Zurverfügungstellung der Schuldverschreibungen an Privatinvestoren im EWR oder im Vereinigten Königreich nach der PRIIPS-Verordnung unzulässig sein.]

[**MiFID II PRODUKTÜBERWACHUNGSPFLICHTEN / [ZIELMARKT PROFESSIONELLE INVESTOREN UND GEEIGNETE GEGENPARTEIEN**] - Die Zielmarktbestimmung im Hinblick auf die Schuldverschreibungen hat – ausschließlich für den Zweck des Produktgenehmigungsverfahrens [des/jedes] Konzepteurs – zu dem Ergebnis geführt, dass (i) der Zielmarkt für die Schuldverschreibungen geeignete Gegenparteien[,] [und] professionelle Kunden, jeweils im Sinne der Richtlinie 2014/65/EU (in der jeweils gültigen Fassung, **MiFID II**), umfasst; [und] (ii) alle Kanäle für den Vertrieb der Schuldverschreibungen angemessen sind [einschließlich Anlageberatung, Portfolio-Management, Verkäufe ohne Beratung und reine Ausführungsdienstleistungen]. [***Negativen Zielmarkt berücksichtigen.***] Jede Person, die in der Folge die Schuldverschreibungen anbietet, verkauft oder empfiehlt (ein **Vertriebsunternehmen**) soll die Beurteilung des Zielmarkts [des/der] Konzepteur[s/e] berücksichtigen; ein Vertriebsunternehmen, welches MiFID II unterliegt, ist indes dafür verantwortlich, seine eigene Zielmarktbestimmung im Hinblick auf die Schuldverschreibungen durchzuführen (entweder durch die Übernahme oder durch die Präzisierung der Zielmarktbestimmung [des/der] Konzepteur[s/e]) und angemessene Vertriebskanäle [nach Maßgabe der Pflichten des Vertriebsunternehmens unter MiFID II im Hinblick Geeignetheit bzw. Angemessenheit], zu bestimmen.][***Weitere Einzelheiten bezüglich Zielmarkt, Kundenkategorien etc. einfügen.***]

Die Endgültigen Bedingungen sind gegliedert in einen "Teil I" sowie in einen "Teil II".

In Teil I der Endgültigen Bedingungen werden die Schuldverschreibungsbedingungen durch die in Teil I enthaltenen Angaben wie folgt vervollständigt und spezifiziert:

(a) Im Fall von “Typ A” Endgültigen Bedingungen "“gilt:

Die vervollständigten und spezifizierten Bestimmungen der jeweiligen Option I, II oder III der Schuldverschreibungsbedingungen stellen für die betreffende Serie der Schuldverschreibungen die Bedingungen dar (die **Bedingungen**).

(b) Im Fall von “Typ B” Endgültigen Bedingungen "“gilt:

Die vervollständigten und spezifizierten Bestimmungen der jeweiligen Option I, II oder III der Schuldverschreibungsbedingungen, die im Zusammenhang mit Teil I dieser Endgültigen Bedingungen zu lesen sind, stellen für die betreffende Serie der Schuldverschreibungen die Bedingungen dar (die **Bedingungen**).

Teil I der Endgültigen Bedingungen ist in Verbindung mit dem jeweiligen Satz der Schuldverschreibungsbedingungen zu lesen, der auf Festverzinsliche Schuldverschreibungen, Variabel Verzinsliche Schuldverschreibungen und Nullkupon-Schuldverschreibungen Anwendung findet und im Basisprospekt als Option I, Option II oder Option III bezeichnet ist. Begriffe, die in den Schuldverschreibungsbedingungen definiert sind, haben dieselbe Bedeutung, wenn sie in den Endgültigen Bedingungen verwendet werden.

Bezugnahmen in Teil I der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Schuldverschreibungsbedingungen.

Die Platzhalter in den auf die Schuldverschreibungen anwendbaren Bestimmungen der Schuldverschreibungsbedingungen gelten als durch die in den Endgültigen Bedingungen enthaltenen Angaben ausgefüllt, als ob die Platzhalter in den betreffenden Bestimmungen durch diese Angaben ausgefüllt wären. Sämtliche Optionen der Schuldverschreibungsbedingungen, die nicht durch in den Endgültigen Bedingungen enthaltene Angaben ausgewählt und ausgefüllt wurden, gelten als in den auf die Schuldverschreibungen anwendbaren Bedingungen gestrichen.

In Teil II der Endgültigen Bedingungen sind alle sonstigen Bedingungen enthalten, die nicht in den Schuldverschreibungsbedingungen einzusetzen sind und die für alle Schuldverschreibungen gelten.

Endgültige Bedingungen

vom **[•]**

UniCredit Bank Czech Republic and Slovakia, a.s.

Emission von **[***Bezeichnung der Schuldverschreibungen***]**
(die **Schuldverschreibungen**)

Ausgabepreis: **[•]**% **[***Informationen zu aufgelaufenen Zinsen einfügen bei einer Aufstockung einer Serie von Schuldverschreibungen***]**

Seriennummer **[•]**

Tranchennummer **[•]**

[(die mit [Bezeichnung der betreffenden Serie der Schuldverschreibungen] begeben am [●] konsolidiert werden, eine einheitliche Serie bilden und ihren Gesamtnennbetrag erhöhen)**]**

Im Rahmen des

EUR 7.000.000.000

Schuldverschreibungsprogramms
der UniCredit Bank Czech Republic and Slovakia, a.s.

*Dieses Dokument stellt die Endgültigen Bedingungen der hierin beschriebenen Schuldverschreibungen gemäß Artikel 8 Abs. 2 der Verordnung (EU) 2017/1129 des Europäischen Parlaments und des Rates vom 14. Juni 2017 über den Prospekt, der beim öffentlichen Angebot von Wertpapieren oder bei deren Zulassung zum Handel an einem geregelten Markt zu veröffentlichen ist und zur Aufhebung der Richtlinie 2003/71/EG (die **Prospektverordnung**) in Verbindung mit der Delegierten Verordnung (EU) 2019/980 der Kommission vom 14. März 2019 zur Ergänzung der Verordnung (EU) 2017/1129 des Europäischen Parlaments und des Rates hinsichtlich der Aufmachung, des Inhalts, der Prüfung und der Billigung des Prospekts, der beim öffentlichen Angebot von Wertpapieren oder bei deren Zulassung zum Handel an einem geregelten Markt zu veröffentlichen ist, und zur Aufhebung der Verordnung (EG) 809/2004 der Kommission dar. Diese Endgültigen Bedingungen müssen, um sämtliche Angaben zu erhalten, zusammen mit den Informationen gelesen werden, die enthalten sind (a) im Basisprospekt vom 4. Juni 2020 (der **Basisprospekt**) und (b) in Nachträgen zu diesem Basisprospekt gemäß Artikel 23 der Prospektverordnung (die **Nachträge**).*

Die vorgenannten Dokumente sind auf der folgenden Internetseite abrufbar: www.unicreditbank.cz, Abschnitt "Debt Investor Relations", Unterabschnitt "UniCredit Bank Czech Republic and Slovakia, a.s. International €5 bln Covered Bond Programme"

Diese Endgültigen Bedingungen sind gemeinsam mit dem Basisprospekt sowie den Emissionsbedingungen aus dem Basisprospekt zur Begebung von Hypothekenpfandbriefen vom 4. Juni 2020 zum Programm, wie per Verweis in den Basisprospekt einbezogen, zu lesen.

Teil I

[[Falls die für die betreffenden Schuldverschreibungen geltenden Optionen durch Wiederholung der betreffenden, im Basisprospekt als Option I bis Option III beschriebenen Bestimmungen einschließlich weiterer darin enthaltener Optionen und Vervollständigung der betreffenden Platzhalter ("Typ A" Endgültige Bedingungen"") bestimmt werden sollen, gelten die folgenden Absätze.]

[Die anwendbaren und rechtsverbindlichen Bedingungen sind wie nachfolgend in der englischsprachigen Version aufgeführt. [Eine unverbindliche deutschsprachige Übersetzung wird zusammen mit der englischsprachigen Version geliefert.]]

[Die anwendbaren und rechtsverbindlichen Bedingungen sind in der deutschsprachigen Version aufgeführt. [Eine unverbindliche englischsprachige Übersetzung wird zusammen mit der deutschsprachigen Version geliefert.]]

[Im Falle von Festverzinslichen Schuldverschreibungen sind die relevanten Bestimmungen von Option I (einschließlich einschlägiger zusätzlicher darin enthaltener Optionen) zu wiederholen und die relevanten Platzhalter auszufüllen.]

[Im Falle von Variabel Verzinslichen Schuldverschreibungen sind die relevanten Bestimmungen von Option II (einschließlich einschlägiger zusätzlicher darin enthaltener Optionen) zu wiederholen und die relevanten Platzhalter auszufüllen.]

[Im Falle von Nullkupon-Schuldverschreibungen sind die relevanten Bestimmungen von Option III (einschließlich einschlägiger zusätzlicher darin enthaltener Optionen) zu wiederholen und die relevanten Platzhalter auszufüllen.]

[Im Falle einer Aufstockung einer Emission von Schuldverschreibungen, die gemäß dem Basisprospekt für die Begebung von Hypothekenpfandbriefen vom [●] 2020 begeben wurden, sind die relevanten Emissionsbedingungen, wie per Verweis in den Basisprospekt einbezogen, einzufügen und die relevanten Platzhalter auszufüllen.]

[Im Falle von "Typ B" Endgültigen Bedingungen ""ist die folgende Tabelle im Einklang mit den Vorgaben für die maßgebliche Emission von [Festverzinslichen Schuldverschreibungen] [Variabel Verzinslichen Schuldverschreibungen] [Nullkupon-Schuldverschreibungen] auszufüllen:

§ 1
Serie, Form der Schuldverschreibungen, Ausgabe weiterer Schuldverschreibungen [, Definitionen]

Ausgabetag:	**[***Ausgabetag einfügen***]**
Festgelegte Währung:	**[**Euro (**EUR**)**]** **[***Festgelegte Währung einfügen***]**
CRR-kompatibel:	**[**Ja**]** **[**Nein**]**
Anwendung der Steuerausgleichpflicht (sog. Gross-up) (§ 6):	**[**Ja**]** **[**Nein**]**
Gesamtnennbetrag:	
(i) Serie:	**[**Bis zu**]** **[***Gesamtnennbetrag der Serie einfügen***]**
(ii) Tranche:	**[***Gesamtnennbetrag der Tranche einfügen***]**
Festgelegte Stückelung:	**[***Festgelegte Stückelung einfügen***]**

Form der Schuldverschreibungen:

- ☐ Vorläufige Globalurkunde – Austausch (TEFRA D)
- ☐ Dauerglobalurkunde (TEFRA C)
- ☐ Dauerglobalurkunde (weder TEFRA D noch TEFRA C Regeln)

Clearingsystem

- ☐ Clearstream Banking, S.A.,
  Luxembourg
  42 Avenue JF Kennedy
  L-1855 Luxemburg
- ☐ Euroclear Bank SA/NV
  Boulevard du Roi Albert II
  B-1210 Brüssel
- ☐ Clearstream Banking AG, Frankfurt am Main
  Mergenthalerallee 61
  D-65760 Eschborn

Classical Global Note oder New Global Note:

- ☐ Classical Global Note
- ☐ New Global Note

§ 2
Zinsen

☐ **Option I: Festverzinsliche Schuldverschreibungen**

[Verzinsungsbeginn:	**[***Verzinsungsbeginn einfügen***]**
Stufenzins-Schuldverschreibungen:	**[**Ja**]** **[**Nein**]**

[Zinssatz:

☐ Bis zum Fälligkeitstag: **[***Prozentsatz einfügen***]**

☐ Vom Fälligkeitstag bis zum Verlängerten Fälligkeitstag: **[***Prozentsatz einfügen***]**

Zinszahltag(e):

☐ Bis zum Fälligkeitstag: **[***Zinszahltag(e) einfügen***] [**eines jeden Jahres**]** bis zum Fälligkeitstag (einschließlich)**]**

☐ Vom Fälligkeitstag bis zum Verlängerten Fälligkeitstag: **[***Zinszahltag(e) einfügen***] [**jeden Monats**]** bis zum Verlängerten Fälligkeitstag (einschließlich / ggfs. andere präzisierende Angabe**]**

[Zinszahltage und dazugehörige Zinssätze:

Zinszahltage	**dazugehörige Zinssätze**
[*Zinszahltage einfügen***]**	**[***dazugehörige Zinssätze einfügen***]]**

Erster Zinszahltag: **[***Ersten Zinszahltag einfügen***]**

Anfänglicher Bruchteilzinsbetrag (pro festgelegte Stückelung) (im Falle eines [kurzen][langen] ersten Kupons): **[***Anfänglichen Bruchteilzinsbetrag einfügen***][**Nicht anwendbar**]**

Anfänglicher Bruchteilzinsbetrag (bezogen auf den Gesamtnennbetrag pro [Serie][Tranche]) (im Falle eines [kurzen][langen] ersten Kupons): [*Anfänglichen Bruchteilzinsbetrag einfügen*] [Nicht anwendbar]

Abschließender Bruchteilzinsbetrag (pro festgelegte Stückelung) (im Falle eines [kurzen][langen] letzten Kupons):

☐ Bis zum Fälligkeitstag: **[***Abschließenden Bruchteilzinsbetrag einfügen***]** [Nicht anwendbar]

☐ Vom Fälligkeitstag bis zum Verlängerten Fälligkeitstag: **[***Abschließenden Bruchteilzinsbetrag einfügen***]** [Nicht anwendbar]

Abschließender Bruchteilzinsbetrag (bezogen auf den Gesamtnennbetrag pro [Serie][Tranche]) (im Falle eines [kurzen][langen] letzten Kupons): [*Abschließenden Bruchteilzinsbetrag einfügen*] [Nicht anwendbar]

☐ Bis zum Fälligkeitstag: **[***Abschließenden Bruchteilzinsbetrag einfügen***]** [Nicht anwendbar]

☐ Vom Fälligkeitstag bis zum Verlängerten Fälligkeitstag: **[***Abschließenden Bruchteilzinsbetrag einfügen***]** [Nicht anwendbar]

☐ **Option II: Variabel verzinsliche Schuldverschreibungen**

[Verzinsungsbeginn: **[***Verzinsungsbeginn einfügen***]**

Fest- zu variabel verzinsliche Schuldverschreibungen: **[**Ja**] [**Nein**]**

[Festgelegte(r) Zinszahltag(e) während des Festzinszeitraums: **[***festgelegte(n) Zinszahltag(e) während des Festzinszeitraums einfügen***] [**eines jeden Jahres**]]**

☐ festgelegte(r) Zinszahltag(e):

☐ Bis zum Fälligkeitstag: **[***festgelegte(r) Zinszahltag(e) einfügen***] [**eines jeden Jahres**]**

☐ Vom Fälligkeitstag bis zum Verlängerten Fälligkeitstag: **[***festgelegte(r) Zinszahltag(e) einfügen***] [**eines jeden Jahres**]**

☐ festgelegt(e) Zinsperiode(n):

☐ Bis zum Fälligkeitstag:	**[***Anzahl einfügen***]** **[**Wochen**]** **[**Monate**]**
☐ Vom Fälligkeitstag bis zum Verlängerten Fälligkeitstag:	**[***Anzahl einfügen***]** **[**Wochen**]** **[**Monate**]**
[erster Zinszahltag:	**[***ersten Zinszahltag einfügen***]**
[erster Zinszahltag innerhalb des Variablen Zinszeitraums:	**[***ersten Zinszahltag innerhalb des Variablen Zinszeitraums einfügen***]]**
[Fester Zinssatz für den Festzinszeitraum:	**[***Prozentsatz einfügen***]** % pro Jahr
Anfänglicher Bruchteilzinsbetrag (pro festgelegte Stückelung):	**[***Anfänglichen Bruchteilzinsbetrag einfügen***]****[**Nicht anwendbar**]]**
Anfänglicher Bruchteilzinsbetrag (bezogen auf den Gesamtnennbetrag pro [Serie][Tranche]):	[*Anfänglichen Bruchteilzinsbetrag einfügen*][Nicht anwendbar]]
☐ Bildschirmfeststellung:	
☐ Bis zum Fälligkeitstag:	
☐ Variabel verzinsliche Schuldverschreibungen, bei denen die Verzinsung von der **[**Euro Interbank Offered Rate (Euribor)**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** **[**Prague Interbank Offered Rate (Pribor)**]** abhängt	
☐ Euribor (Brüsseler Zeit / TARGET2 Bankarbeitstag / Interbankenmarkt in der Euro-Zone):	**[***Zeitraum/Zeiträume einfügen***]****[●]**
Bildschirmseite:	Reuters Bildschirmseite EURIBOR01 oder eine Nachfolgeseite
Finanzzentrum der Festgelegten Währung:	**[***Finanzzentrum der Festgelegten Währung einfügen***]**
☐ SONIA® (Londoner Zeit / Londoner Bankarbeitstag)	
Bildschirmseite:	**[●]**
Berechnung durch:	**[**Berechnungsstelle**]** **[●]**
Anzahl der Londoner Bankarbeitstage "p":	**[●]**
☐ SOFR® (New Yorker Zeit / US Staatsanleihen Bankarbeitstag)	
Bildschirmseite:	**[●]**
Berechnung durch:	**[**Berechnungsstelle**]** **[●]**

Anzahl der US Staatsanleihen Bankarbeitstage "p":	**[●]**
☐ €STR® (Brüsseler Zeit / TARGET2 Bankarbeitstag)	
Bildschirmseite:	**[●]**
Berechnung durch:	**[**Berechnungsstelle**] [●]**
Anzahl der TARGET2 Bankarbeitstage "p":	**[●]**
☐ Pribor (Prager Zeit / Bankarbeitstag in Prag)	
Bildschirmseite:	**[●]**
Berechnung durch:	**[**Berechnungsstelle**] [●]**
Anzahl der Prager Bankarbeitstage "p":	**[●]**
Nach Einstellungsereignis anwendbarer Zinssatz:	**[**für vorausgehende Zinsperiode geltender Zinssatz**] [**Angebotssatz oder arithmetisches Mittel der Angebotssätze**] [***anwendbaren Zinssatz einfügen***]**
Interpolation:	**[**Ja**] [**Nein**]** [für den ersten **[**kurzen**][**langen**]** Kupon] [für den letzten kurzen Kupon]
	[Lineare Interpolation zwischen dem **[***Zahl einfügen***]**-Monats-**[**Euribor**]** [Pribor]-Angebotssatz und dem **[***Zahl einfügen***]**-Monats-**[**Euribor**]** [Pribor]-Angebotssatz, der auf der Bildschirmseite jeweils um 11:00 Uhr **[***Im Fall des Euribor als Referenzzinssatz einfügen*: Brüsseler**] [***Im Fall des Pribor als Referenzzinssatz einfügen*: Prager**]** Zeit angezeigt wird.**]**
☐ Variabel Verzinsliche Schuldverschreibungen, bei denen die Verzinsung von einem Constant Maturity Swap-Satz abhängig ist:	[●]
Anzahl von Jahren:	**[***Anzahl von Jahren einfügen***]**
Bildschirmseite:	Reuters Bildschirmseite **[**ICESWAP1 oder eine Nachfolgeseite] **[**ICESWAP2 oder eine Nachfolgeseite]
Anzahl von Angeboten von Referenzbanken:	**[***Anzahl von Angeboten einfügen***]**
Referenzsatzzeit:	**[***Referenzsatzzeit einfügen***]**
Nach Einstellungsereignis anwendbarer Zinssatz:	**[**für vorausgehende Zinsperiode geltender Zinssatz**] [**Angebotssatz oder arithmetisches Mittel der Angebotssätze**] [***anwendbaren Zinssatz einfügen***]**
Faktor:	**[***Faktor einfügen***] [**Nicht anwendbar**]**

Marge:	**[[***Marge einfügen***]** % pro Jahr**] [**Nicht anwendbar**]**
☐ plus	
☐ minus	
Zinsfeststellungstag:	**[**zweiter**]** [erster] [letzter] **[***andere Anzahl von Tagen einfügen***]** **[**TARGET2**]** **[**London**]** **[***anderes Finanzzentrum (angeben)***]** Bankarbeitstag [vor dem] **[**Beginn**][**Ende**]** der jeweiligen Zinsperiode
☐ Vom Fälligkeitstag bis zum Verlängerten Fälligkeitstag:	
☐ Variabel verzinsliche Schuldverschreibungen, bei denen die Verzinsung von der **[**Euro Interbank Offered Rate (Euribor)**]** **[**SONIA®**]** **[**SOFR®**]** **[**€STR®**]** **[**Prague Interbank Offered Rate (Pribor)**]** abhängt	
☐ Euribor (Brüsseler Zeit / TARGET2 Bankarbeitstag / Interbankenmarkt in der Euro-Zone):	**[***Zeitraum/Zeiträume einfügen***][●]**
Bildschirmseite:	Reuters Bildschirmseite EURIBOR01 oder eine Nachfolgeseite
☐ SONIA® (Londoner Zeit / Londoner Bankarbeitstag)	
Bildschirmseite:	**[●]**
Berechnung durch:	**[**Berechnungsstelle**]** **[●]**
Anzahl der Londoner Bankarbeitstage "p":	**[●]**
☐ SOFR® (New Yorker Zeit / US Staatsanleihen Bankarbeitstag)	
Bildschirmseite:	**[●]**
Berechnung durch:	**[**Berechnungsstelle**]** **[●]**
Anzahl der US Staatsanleihen Bankarbeitstage "p":	**[●]**
☐ €STR® (Brüsseler Zeit / TARGET2 Bankarbeitstag)	
Bildschirmseite:	**[●]**
Berechnung durch:	**[**Berechnungsstelle**]** **[●]**
Anzahl der TARGET2 Bankarbeitstage "p":	**[●]**
☐ Pribor (Prager Zeit / Prager Bankarbeitstag)	
Bildschirmseite:	**[●]**

Berechnung durch: **[**Berechnungsstelle**] [●]**

Anzahl der Prager Bankarbeitstage "p": **[●]**

Nach Einstellungsereignis anwendbarer Zinssatz: **[**für vorausgehende Zinsperiode geltender Zinssatz**] [**Angebotssatz oder arithmetisches Mittel der Angebotssätze**] [***anwendbaren Zinssatz einfügen***]**

Interpolation: **[**Ja**] [**Nein**]** [für den ersten **[**kurzen**]/[**langen**]** Kupon] [für den letzten kurzen Kupon]

[Lineare Interpolation zwischen dem **[***Zahl einfügen***]**-Monats-**[**Euribor**]** [Pribor]-Angebotssatz und dem **[***Zahl einfügen***]**-Monats-**[**Euribor**]** [Pribor]-Angebotssatz, der auf der Bildschirmseite jeweils um 11:00 Uhr **[***Im Fall des Euribor als Referenzzinssatz einfügen*: Brüsseler**] [***Im Fall des Pribor als Referenzzinssatz einfügen*: Prager**]** Zeit angezeigt wird.**]**

☐ Variabel Verzinsliche Schuldverschreibungen, bei denen die Verzinsung von einem Constant Maturity Swap-Satz abhängig ist: [●]

Anzahl von Jahren: **[***Anzahl von Jahren einfügen***]**

Bildschirmseite: Reuters Bildschirmseite **[**ICESWAP1 oder eine Nachfolgeseite] **[**ICESWAP2 oder eine Nachfolgeseite]

Anzahl von Angeboten von Referenzbanken: **[***Anzahl von Angeboten einfügen***]**

Referenzsatzzeit: **[***Referenzsatzzeit einfügen***]**

Nach Einstellungsereignis anwendbarer Zinssatz: **[**für vorausgehende Zinsperiode geltender Zinssatz**] [**Angebotssatz oder arithmetisches Mittel der Angebotssätze**] [***anwendbaren Zinssatz einfügen***]**

Faktor: **[***Faktor einfügen***] [**Nicht anwendbar**]**

Marge: **[[***Marge einfügen***]** % pro Jahr**] [**Nicht anwendbar**]**

☐ plus

☐ minus

Zinsfeststellungstag: **[**zweiter**]** [erster] [letzter] **[***andere Anzahl von Tagen einfügen***] [**TARGET2**] [**Londoner**] [***anderes Finanzzentrum (angeben)***]** Bankarbeitstag [vor dem] **[**Beginn**]/[**Ende**]** der jeweiligen Zinsperiode

☐ ISDA-Feststellung:

☐ Bis zum Fälligkeitstag

Variable Zinssatz-Option: **[***Variable Zinssatz-Option einfügen***]**

Bezeichnete Laufzeit: **[***Periode von/bis einfügen***]**

Reset-Datum: **[***Reset-Datum einfügen***] [**Nicht anwendbar**]**

Faktor: **[***Faktor einfügen***] [**Nicht anwendbar**]**

Marge: **[[***Marge einfügen***]** % pro Jahr**]** **[**Nicht anwendbar**]**

☐ plus

☐ minus

☐ Vom Fälligkeitstag bis zum Verlängerten Fälligkeitstag

Variable Zinssatz-Option: **[***Variable Zinssatz-Option einfügen***]**

Bezeichnete Laufzeit: **[***Periode von/bis einfügen***]**

Reset-Datum: **[***Reset-Datum einfügen***]** **[**Nicht anwendbar**]**

Faktor: **[***Faktor einfügen***]** **[**Nicht anwendbar**]**

Marge: **[[***Marge einfügen***]** % pro Jahr**]** **[**Nicht anwendbar**]**

☐ plus

☐ minus

[Mindestzinssatz**]** **[**und**]** **[**Höchstzinssatz**]**:

☐ Mindestzinssatz:

☐ Bis zum Fälligkeitstag: **[[***Prozentsatz einfügen***]** % pro Jahr**]**

☐ Vom Fälligkeitstag bis zum Verlängerten Fälligkeitstag: **[[***Prozentsatz einfügen***]** % pro Jahr**]]**

☐ Höchstzinssatz:

☐ Bis zum Fälligkeitstag: **[[***Prozentsatz einfügen***]** % pro Jahr**]**

☐ Vom Fälligkeitstag bis zum Verlängerten Fälligkeitstag: **[[***Prozentsatz einfügen***]** % pro Jahr**]]**

Zinstagequotient:

☐ Actual/Actual (ICMA) **[**Für den **[**Festzinszeitraum**]** **[**und den**]** **[**Variablen Zinszeitraum**]]**

[Fiktiver Zinszahltag: **[***Fiktiven Zinszahltag einfügen***]]**

☐ Actual/Actual (ISDA) **[**Für den **[**Festzinszeitraum**]** **[**und den**]** **[**Variablen Zinszeitraum**]]**

☐ Actual/365 (fixed) **[**Für den **[**Festzinszeitraum**]** **[**und den**]** **[**Variablen Zinszeitraum**]]**

☐ Actual/360 **[**Für den **[**Festzinszeitraum**]** **[**und den**]** **[**Variablen Zinszeitraum**]]**

☐ 30/360 **[**Für den **[**Festzinszeitraum**]** **[**und den**]** **[**Variablen Zinszeitraum**]]**

☐ 30/360 (ISDA)**]** or 360/360 or Bond Basis **[**Für den **[**Festzinszeitraum**]** **[**und den**]** **[**Variablen Zinszeitraum**]]**

☐ 30E/360 or Eurobond Basis **[**Für den **[**Festzinszeitraum**]** **[**und den**]** **[**Variablen Zinszeitraum**]]**

☐ 30E/360 (ISDA) **[**Für den **[**Festzinszeitraum**]** **[**und den**]** **[**Variablen Zinszeitraum**]]**

§ 3
Fälligkeit, Rückzahlungsbetrag
[Rückzahlung aus steuerlichen Gründen, Rückzahlung aufgrund einer Gesetzwidrigkeit oder Ungültigkeit, Optionale Rückzahlung nach Wahl der Emittentin (Call Option)]

Fälligkeitstag: **[***Fälligkeitstag einfügen***]**

	[Zinszahltag (wie oben definiert), der in den [*Monat einfügen*] des Jahres [*Jahr einfügen***]** *fällt***]**
Verlängerter Fälligkeitstag	[Anwendbar/Nicht anwendbar] [Der verlängerte Fälligkeitstag ist der **[**●**]**]
[Rückzahlungsbetrag:	
☐ Festgelegte Stückelung	
☐ Anderer Betrag:	**[***Betrag einfügen***]** pro festgelegte Stückelung**]**
Optionale Rückzahlung nach Wahl der Emittentin (Call Option):	**[**Ja**] [**Nein**]**
[Kündigungstermin(e):	**[***Kündigungstermin(e) einfügen***][**eines jeden Jahres beginnend am **[***Datum einfügen***]]**
Recht zur teilweisen Rückzahlung der Schuldverschreibungen:	**[**Ja**] [**Nein**]**
Kündigungsfrist:	**[***Zahl einsetzen (mindestens 5 Bankarbeitstage)***][**Bankarbeitstage**][**Monate**]**
[Aufgelaufene Zinsen werden separat gezahlt:	**[**Ja**] [**Nein**]]**
Optionale(r) Rückzahlungsbetrag (-beträge):	
☐ Festgelegte Stückelung	
☐ Anderer Betrag:	**[***Optionale(r) Rückzahlungsbetrag(-beträge) einfügen, der/die nicht unterhalb des Nennwerts/Emissionspreises liegt/liegen***]]**
[Aufgelaufene Verzugszinsen auf den Rückzahlungsbetrag **[**und den Optionalen Rückzahlungsbetrag**]** basierend auf:	
☐ der Emissionsrendite	Referenzpreis: **[***Referenzpreis einfügen***]** Emissionsrendite: **[***Emissionsrendite einfügen***]**
☐ dem gesetzlichen Verzugszinssatz**]**	
Rückzahlung aus steuerlichen Gründen (§3 Abs. 2):	**[**Einschlägig/Nicht einschlägig**]**
Kündigungsfrist für die Bedingung [§ 3 Abs. 2] (*Rückzahlung aus steuerlichen Gründen*):	Mindestfrist: [●] Tage Höchstfrist: [●] Tage
[Aufgelaufende Zinsen werden gesondert gezahlt:	**[**Ja**] [**Nein**]]**
Kündigungsfrist für die Bedingung gemäß [§ 3 [Abs. 2][Abs. 3]] (*Rückzahlung aufgrund einer Gesetzeswidrigkeit oder Ungültigkeit*):	Mindestfrist: [●] Tage Höchstfrist: [●] Tage
[Aufgelaufende Zinsen werden gesondert gezahlt:	**[**Ja**] [**Nein**]]**
Bei Rückzahlung aus steuerlichen Gründen bzw. Rückzahlung aufgrund eines Kündigungsgrundes zu zahlender Vorzeitiger Rückzahlungsbetrag	[●]
[Emissionsrendite:	Referenzpreis: **[***Referenzpreis einfügen***]** Emissionsrendite: **[***Emissionsrendite einfügen***]]**

§ 4
Zahlungen

Rundung von zahlbaren Beträgen:	**[**aufgerundet**] [**stets abgerundet**]**
Dual-Currency-Schuldverschreibungen	**[**Ja**] [**Nein**]**
[Währung für Zahlungsabwicklungen:	**[***Währung einfügen***]**
	[Die Umrechnung der zahlbaren Beträge in **[**Euro**] [***andere Währung einfügen***]** erfolgt **[**zum Wechselkurs**] [•]]**
	[Es werden jedoch mindestens **[**Euro**] [***Andere Währung einfügen***]** **[**0,001**] [***Andere Einheit einfügen***]** [je Festgelegte Stückelung] [auf den Gesamtnennbetrag] gezahlt.**]**
Wechselkurs:	[*einfügen*] [berechnet auf der Basis von [*erster Kurs*] (ausgedrückt als Anzahl von ([*Währung einfügen*] pro [einem][●] [*Währung einfügen*]) multipliziert mit [*zweiter Kurs*] (ausgedrückt als Anzahl von ([*Währung einfügen*] pro [einem][●] [*Währung einfügen*])]
Erster Kurs:	[*einfügen*], Bildschirmseite: [*einfügen*], Fixing Sponsor [*einfügen*]
Zweiter Kurs:	[*einfügen*] Bildschirmseite [*einfügen*], Fixing Sponsor [*einfügen*]
Kursberechnungstag:	[*einfügen*] [[*zweiter*] Bankarbeitstag vor [*einfügen*]]
Bankarbeitstag:	[TARGET 2] [[*Finanzzentrum einfügen*] und [*Finanzzentrum einfügen*]]
Zeit:	[*einfügen*]
Zeitzone:	[*einfügen*]**]**

Geschäftstagekonvention

☐	Following Business Day Convention	
☐	Floating Rate Convention	**[[***Zahl einfügen***]** Monate**] [***andere festgelegte Zeiträume einfügen***]**
☐	Modified Following Business Day Convention	
☐	Preceding Business Day Convention	

Anpassung:	**[**Ja**] [**Nein**]**
Bankarbeitstag:	[TARGET2] [London] [*alle maßgeblichen Finanzzentren einfügen*]

§ 5
Hauptzahlstelle, Zahlstelle, Berechnungsstelle

Hauptzahlstelle:	**[**Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, Vereinigtes Königreich**]**
	[*andere Hauptzahlstelle einfügen***]**
Zusätzliche Zahlstelle(n):	**[**zum **[***Zeitpunkt einfügen***]] [***Zusätzliche Zahlstelle(n) einfügen***] [**Nicht anwendbar**]**

Berechnungsstelle:	**[**Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, Vereinigtes Königreich**]** **[***andere Berechnungsstelle einfügen***]** **[**Nicht anwendbar**]**

§ 10
Mitteilungen

[Mitteilungen können in elektronischer Form auf der Internetseite der jeweiligen Börse gemacht werden:	**[**Ja**] [**Nein**]**
Börsenpflichtblatt:	**[***Name des Börsenpflichtblatts einfügen***] [**Nicht anwendbar**]**
Mitteilungen in einem anderen Börsenpflichtblatt, wenn Mitteilung nicht mehr möglich:	**[**Ja**] [**Nein**]**
Internetseite:	**[***Name der Börse einfügen***] [***Internetseite einfügen***] [**Nicht anwendbar**]]**
Bankarbeitstag:	**[**TARGET2**] [**London**] [***alle maßgeblichen Finanzzentren einfügen***]**

[§ 14
Sprache

Sprache der Schuldverschreibungen:

- ☐ Englisch und Deutsch (Englisch verbindlich) (Wobei die Übersetzung in die deutsche Sprache nicht Teil dieser Endgültigen Bedingungen ist.)
- ☐ Deutsch und Englisch (Deutsch verbindlich) (Wobei die Übersetzung in die deutsche Sprache nicht Teil dieser Endgültigen Bedingungen ist.)**]**
- ☐ ausschließlich deutsch**]**

§ 15

(Änderungen der Schuldverschreibungenbedingungen)

Versammlung der Schuldverschreibungsgläubiger:

- ☐ Gläubigerversammlung
- ☐ ohne Versammlun

Beschränkte Haftung des gemeinsamen Vertreters der Schuldverschreibungsgläubiger:	**[**Haftung beschränkt auf das **[***Multiplikator einfügen***]**-fache der Jahresvergütung des gemeinsamen Vertreters**] [***Betrag einfügen***] [**Nicht einschlägig**]]**

Teil II

Wesentliche Informationen

Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind	**[***Einzelheiten einfügen, sofern abweichend von den im Basisprospekt beschriebenen Interessen, sofern vorhanden***]**
Gründe für das Angebot und Zweckbestimmung der Erlöse	**[***Wie im Basisprospekt beschrieben***]** **[***Green Mortgage Covered Bonds – Details in Einklang mit dem Sustainability Bond Framework einfügen***]** **[***Social Mortgage Covered Bonds - Details in Einklang mit dem Sustainability Bond Framework einfügen***]** **[***Sustainability Mortgage Covered Bonds - Details in Einklang mit dem Sustainability Bond Framework einfügen***]**

Classical Global Note oder New Global Note:

☐ Classical Global Note

☐ Verwahrung in einer Weise, die EZB-Fähigkeit bewirkt

☐ New Global Note

Verwahrung in einer Weise, die EZB-Fähigkeit bewirkt:	**[***Ja. Im Fall der Kennzeichnung mit „ja" ist damit beabsichtigt, die Schuldverschreibungen zum Zeitpunkt ihrer Emission bei einer der internationalen zentralen Verwahrstellen (ICSDs) als gemeinsame Sicherheitsverwahrstelle einzureichen. Das bedeutet nicht notwendigerweise, dass die Schuldverschreibungen zum Zeitpunkt ihrer Emission oder zu einem anderen Zeitpunkt während ihrer Laufzeit als geeignete Sicherheit im Sinne der Geldpolitik des Eurosystems und für Zwecke der untertägigen Kreditfähigkeit durch das Eurosystem anerkannt werden. Eine solche Anerkennung hängt davon ab, dass die EZB davon überzeugt ist, dass die Kriterien der Eignung für das Eurosystem erfüllt sind.*]
	[*Nein. Im Fall der Kennzeichnung mit „nein" zum Datum dieser Endgültigen Bedingungen können die Schuldverschreibungen zu einem späteren Zeitpunkt bei einer der internationalen zentralen Verwahrstellen (ICSDs) als gemeinsame Sicherheitsverwahrstelle eingereicht werden, wenn die Kriterien der Eignung für das Eurosystem zukünftig dergestalt geändert werden, dass die Schuldverschreibungen diese Kriterien erfüllen können. Dies bedeutet nicht notwendigerweise, dass die Schuldverschreibungen während ihrer Laufzeit als geeignete Sicherheit im Sinne der Geldpolitik des Eurosystems und für Zwecke der untertägigen Kreditfähigkeit durch das Eurosystem anerkannt werden. Eine solche Anerkennung hängt davon ab, dass die EZB davon überzeugt ist, dass die Kriterien der Eignung für das Eurosystem erfüllt sind.***]**

Wertpapier-Kennnummern

[Common Code:	**[●]]**
[Vorläufiger Common Code:	**[●]]**
ISIN Code:	**[●]**

[Vorläufiger ISIN Code:	**[●]]**
Wertpapier-Kenn-Nummer (WKN):	**[●]**
[Vorläufige Wertpapier-Kenn-Nummer (WKN):	**[●]]**
[Klassifizierungscode (CFI Code):	**[●]]**
[FISN Code:	**[●]]**
[Sonstige Wertpapier-Kenn-Nummer:	**[●]]**
[Sonstige vorläufige Wertpapier-Kenn-Nummer:	**[●]]**

Rendite

Rendite bezogen auf den Ausgabepreis:	**[[***Prozentsatz einfügen***]** % per annum**]** [Nicht anwendbar. Die Rendite der Schuldverschreibungen kann nicht [zum Ausgabetag] ermittelt werden.]

Vertriebsmethode

- ☐ Nicht syndiziert
- ☐ Syndiziert

Einzelheiten bezüglich des Managements

Dealer/Bankenkonsortium:	**[**Nicht anwendbar**] [***Einzelheiten angeben***]**

Provisionen

[Management- und Übernahmeprovision	**[**Nicht anwendbar**] [***Einzelheiten angeben***]]**
[Verkaufsprovision:	**[**Nicht anwendbar**] [***Einzelheiten angeben***]]**
[Börsenzulassungsprovision:	**[**Nicht anwendbar**] [***Einzelheiten angeben***]]**
Geschätzte Gesamtkosten im Zusammenhang mit der Zulassung zum Handel:	**[**Nicht anwendbar**] [***Einzelheiten angeben***]**
Stabilisierungsmanager:	**[***Einzelheiten einfügen***] [**Nicht anwendbar**]**
Verwendung und geschätzter Nettobetrag der Erlöse:	**[***Einzelheiten angeben***]**
Börsenzulassung(en) und Zulassung zum Handel	**[Ja] [Nein]**

- ☐ Luxemburger Börse
  - ☐ Regulierter Markt
  - ☐ EuroMTF
- ☐ Sonstige: **[●]**
- ☐ **Rating** **[***Einzelheiten des Ratings angeben***][***Bedeutung des Ratings erklären***]**

[Einzelheiten einfügen, ob die jeweilige Ratingagentur ihren Sitz in der Europäischen Gemeinschaft hat und gemäß Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen (wie geändert) (die **Ratingagentur-Verordnung**) registriert ist oder die Registrierung beantragt hat.**]**

[Die Europäische Wertpapier- und Marktaufsichtsbehörde (**ESMA**) veröffentlicht auf ihrer Webseite (www.esma.europa.eu) ein Verzeichnis der nach der Ratingagentur-Verordnung registrierten Ratingagenturen. Dieses Verzeichnis wird innerhalb von fünf Werktagen nach Annahme eines Beschlusses gemäß Artikel 16, 17 oder 20 der Ratingagentur-Verordnung aktualisiert. Die Europäische Kommission veröffentlicht das aktualisierte Verzeichnis im Amtsblatt der Europäischen Union innerhalb von 30 Tagen nach der Aktualisierung.**]**

[Die gemäß den Schuldverschreibungen zahlbaren Beträge können unter Bezugnahme auf den **[**EURIBOR®, der derzeit vom European Money Markets Institute (EMMI) zur Verfügung gestellt wird**]** [CMS, der derzeit vom ICE Benchmark Administration Limited (**IBA**) zur Verfügung gestellt wird] **[**SONIA®, der derzeit von der Bank of England zur Verfügung

gestellt wird**]** **[**SOFR®, der derzeit von der Federal Reserve Bank of New York zur Verfügung gestellt wird**]** **[**PRIBOR, der derzeit von Czech Financial Benchmark Facility s.r.o. zur Verfügung gestellt wird**]** **[**ANDERER REFERENZZINSSATZ, der derzeit von **[***Administrator einfügen*] zur Verfügung gestellt wird**]**, berechnet werden. Zum Zeitpunkt dieser Endgültigen Bedingungen erschein**[**t**]****[**en**]** **[**EMMI**]** **[**IBA**]** **[**die Bank of England**]** **[**die Federal Reserve Bank of New York**]** **[**Czech Financial Benchmark Facility s.r.o.**]** **[***Administrator einfügen*]**]** **[**nicht**]** im Verzeichnis der Administratoren und Benchmarks, das von der Europäischen Wertpapier- und Marktaufsichtsbehörde (**ESMA**) gemäß Artikel 36 der Benchmark-Verordnung (Verordnung (EU) 2016/1011) (die **Benchmark-Verordnung**) eingerichtet und verwaltet wird.**]]**

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