

# BASE PROSPECTUS

## RAIFFEISENBANK A.S.

(incorporated with limited liability in the Czech Republic)

EUR 5,000,000,000

### Mortgage Covered Bond (in Czech, *hypoteční zástavní list*) Programme

Under this EUR 5,000,000,000 Mortgage Covered Bond Programme (the "**Programme**"), Raiffeisenbank a.s., with its registered office at Hvězdova 1716/2b, 140 78 Prague 4, Czech Republic, Identification No. 492 40 901, registered with the Commercial Register maintained by the Municipal Court in Prague, File No. B 2051, LEI: 3157001000000004460 (the "**Issuer**") may from time to time issue mortgage covered bonds (*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 EUR 5,000,000,000, 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 "*Overview 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 "*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 that is the subject of this Base Prospectus 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).

**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 the United Kingdom or a specific segment of an EEA or the United Kingdom 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 or the United Kingdom 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 15 December 2021.** 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 "*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](http://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 Deutschland GmbH ("**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/supervision/credit-rating-agencies/risk>) in accordance with the CRA Regulation. The Mortgage Covered Bonds issued under the Programme are expected to be assigned an "Aa2" rating by Moody's. However, the Issuer may also issue Mortgage Covered Bonds which are unrated or rated by another rating agency. 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.

Amounts payable on the Floating Rate Mortgage Covered Bonds (as defined below) will be calculated by reference, *inter alia*, to LIBOR and CMS, which are 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<sup>®</sup>, which is currently provided by the Bank of England, to SOFR<sup>®</sup>, which is currently provided by the Federal Reserve Bank of New York, to €STR<sup>®</sup>, 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<sup>®</sup>, SOFR<sup>®</sup> and €STR<sup>®</sup> do not fall within the scope of the Benchmark Regulation. As at the date of this Base Prospectus, IBA, EMMI and CFBF are included in ESMA's register of administrators under Article 36 of the Benchmark Regulation.

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 "*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 "*Subscription and Sale*".

**Arranger**

Raiffeisen Bank International AG

**Dealers**

Raiffeisen Bank International AG

Raiffeisenbank a.s.

The date of this Base Prospectus is 15 December 2020.

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## 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 "*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 "*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.

## **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 "*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 €100,000 (or its equivalent in any other currency) or such Mortgage Covered Bonds that 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, 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**") or the United Kingdom (the "**UK**") 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 or the UK 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.

**PROHIBITION OF SALES TO EEA AND 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 European Economic Area (the "**EEA**") or in the UK. 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; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Mortgage Covered Bonds or otherwise making them available to retail investors in the EEA or 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 EEA or in the UK may be unlawful under the PRIIPs Regulation.

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

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Mortgage Covered Bonds, the merits and risks of investing in the relevant Mortgage Covered Bonds and the information contained or incorporated by reference into this Base Prospectus or any supplement hereto;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Mortgage Covered Bonds and the impact the Mortgage Covered Bonds will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Mortgage Covered Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the relevant Mortgage Covered Bonds and be familiar with the behaviour of financial markets;
- (e) 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;
- (f) 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
- (g) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

#### **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 on pages 342-346 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.**



## OVERVIEW 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 the Prospectus Regulation 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 (the "**Delegated Prospectus Regulation**").

Words and expressions defined in "*Form of the Mortgage Covered Bonds*" and "*Terms and Conditions of the Mortgage Covered Bonds*" shall have the same meanings in this overview.

<b>Issuer:</b>	Raiffeisenbank a.s.
<b>Risk Factors:</b>	<p>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 "Risk Factors" on pages 17-46 below and include:</p> <ul style="list-style-type: none"><li>(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;</li><li>(b) currency risk – the Mortgage Loans in the Cover Pool will only be denominated in Czech Koruna;</li><li>(c) risks relating to the Issuer's ability to fulfil its obligations under Mortgage Covered Bonds issued under the Programme;</li><li>(d) risks relating to the Czech mortgage market and certain other market risks; and</li><li>(e) certain risks relating to the structure of particular Series of Mortgage Covered Bonds.</li></ul>
<b>Description:</b>	Mortgage Covered Bond ( <i>hypoteční zástavní list</i> ) Programme
<b>Arranger:</b>	Raiffeisen Bank International AG
<b>Dealers:</b>	Raiffeisen Bank International AG and Raiffeisenbank a.s.  and any other Dealers appointed in accordance with the Dealer Agreement.
<b>Certain Restrictions:</b>	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 " <i>Subscription and Sale</i> ") including the following restrictions applicable at the date of this Base Prospectus.

<b>Principal Paying Agent:</b>	Citibank, N.A., London Branch
<b>Asset Monitor:</b>	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 " <b>Asset Monitor</b> "). 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 " <i>General Description of Czech Legislation relating to Mortgage Covered Bonds</i> " below) and the Conditions (see " <i>Issuer Covenant</i> " and " <i>The Cover Pool</i> " below).
<b>Programme Size:</b>	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 EUR 5,000,000,000 outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.
<b>Distribution:</b>	Mortgage Covered Bonds may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
<b>Currencies:</b>	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.
<b>Maturities:</b>	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.
<b>Issue Price:</b>	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.
<b>Form of Mortgage Covered Bonds:</b>	The Mortgage Covered Bonds will be issued in bearer form.
<b>Clearing Systems:</b>	Euroclear Bank SA/NV (Euroclear), Clearstream Banking S.A. (Clearstream, Luxembourg) and/or, in relation to any Tranche of Mortgage Covered Bonds, any other clearing system as may be specified in the relevant Final Terms.
<b>Fixed Rate Mortgage Covered Bonds:</b>	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.
<b>Floating Rate Mortgage Covered Bonds:</b>	Floating Rate Mortgage Covered Bonds will bear interest at a rate determined: <ul style="list-style-type: none"> <li>(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</li> </ul>

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 "*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 "*Certain Restrictions*" above, and save that the minimum denomination of each Mortgage Covered Bond will be EUR 100,000 (or, if the Mortgage Covered Bonds are denominated in a currency other than euro, the equivalent amount in such currency) or, where it is a Note 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, €1,000 (or, if the Mortgage Covered Bonds are denominated in a currency other than euro, the equivalent amount in such currency).

**Taxation:**

As specified 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, the breach constitutes an Issuance Longstop Event, which means that while such breach is continuing, the Issuer must not issue any Czech Mortgage Covered Bonds (as defined below) which have the benefit of the Cover Pool.

**Status of the Mortgage Covered Bonds:**

The Mortgage Covered Bonds are Mortgage Covered Bonds (*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 Issuer's 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 "*General Description of Czech Legislation relating to the 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 an inactive (A) CZK 50,000,000,000 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 Decree of the CNB No. 164/2014 Coll. of 30 July 2014 (*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); and (ii) other bonds issued under Czech law in accordance with the Czech Bonds Act (the "**Local Bond Programmes**") and (B) EUR 5,000,000,000 international covered 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 Previous CNB Decree (and thus falling within the definition of the Czech Mortgage Covered Bonds) (the "**English Law Mortgage Covered Bond Programme**" and together with the Local Bond Programmes as the **Issuer's Bond Programmes**). There are no outstanding bonds issued under the Issuer's Bond Programmes. In order to be able to keep and maintain only one Cover Pool, the Issuer plans to proceed with an opt-in of the outstanding Czech Mortgage Covered Bonds issued under the English Law Mortgage Covered Bond Programme under new legal framework introduced by the amendment No. 307/2018 Coll. to the Czech Bonds Act.

All Mortgage Covered Bonds issued by the Issuer under the Programme, Czech Mortgage Covered Bonds issued under the English Law Mortgage Covered Bond Programme 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 and the CNB Decree (see "*General Description of Czech Legislation relating to Mortgage Covered Bonds*" and "*The Cover Pool – Composition of Assets*").

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 "*The Valuation of Assets – Statutory Tests*" and "*The Statutory Minimum OC Level Test – Contractual Asset Cover Test*").

Pursuant to the Czech Bonds Act and the CNB Decree (as to which see further "*General Description of Czech 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 Czech Mortgage Covered Bonds issued under the English Law Mortgage Covered Bond Programme or on a standalone basis or otherwise) will all have the benefit of the same Cover Pool.

In the future, the Issuer may update the other Issuer's 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 Issuer's 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 "*General Description of Czech 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 "*The Cover Pool – Composition of Assets – Statutory Eligibility Criteria for Eligible Assets (the 'Statutory Eligibility Criteria')*") and the Contractual Eligibility Criteria (see "*The Cover Pool – Composition of Assets – Contractual Eligibility Criteria for Eligible Assets*")

**Rating:**

The Mortgage Covered Bonds issued under the Programme are expected to be assigned an "Aa2" rating by Moody's. However, the Issuer may also issue Mortgage Covered Bonds which are unrated or rated by another rating agency. 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:**

The Mortgage Covered Bonds will be governed by, and construed in accordance with, German law.

Although otherwise governed by, and construed in accordance with, German law, the Mortgage Covered Bonds 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 "*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.*

### **I. 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. 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 securities prices. All of these factors are able to significantly affect investors' appetite for bank financing and customers' ability to service and/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 United Kingdom's ("UK") 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 form an intention 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 will certainly 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. 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.

### ***The recent outbreak of COVID-19 could adversely affect the Issuer's business***

The recent COVID-19 outbreak 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, is expected to have a material and adverse impact on the Czech and global financial markets and on the level of economic activity in the Czech Republic and the world economy as of the date of this Base Prospectus.

In the course of March 2020, the Raiffeisen Group started to offer suspension of credit repayment for up to one year, applicable to private individuals, entrepreneurs as well as businesses. As at 30 June 2020, the resulting impact of this moratorium together with the Moratorium (all capitalized terms in this risk factor shall have the meanings ascribed to them in the risk factor "*The Czech legislative measures taken in response to the COVID-19 pandemic will have effect on the Issuer's business*") introduced by the COVID-19 Loan Moratorium Act was, in relation to the business of the Raiffeisen Group, more than 21 thousand approved applications with the total loan amount of CZK 40.4 billion, of which households account for CZK 16.8 billion and corporate clients account for CZK 23.6 billion.

The Raiffeisen Group launched its offer of credit facilities for corporates and businesses under the COVID guarantee programmes operated by Českomoravská záruční a rozvojová banka, a.s., with COVID III being the most extensive programme. The Raiffeisen Group also continues to provide loans to clients in all segments, whereas clients are able to deal with a vast majority of their banking operations in a remote regime without having to visit a branch office.

The COVID-19 outbreak accelerated the strategic priorities in connection with the optimizing of the Raiffeisen Group's branch network. In line with the IAS 36 and IFRS 16 requirements, the Raiffeisen Group assessed the indicators of possible impairment of these assets. The Raiffeisen Group identified significant impairment in respect of 7 leased branch offices reported as rights of use and these branch offices were closed as of 30 June 2020. As 22 September 2020, the book value of these rights of use were zero and the impairment of the right of use amounted to CZK 8.5 million.

According to IFRS 9, the loan moratorium results in modification of the contractual cash flows of a financial asset. The Raiffeisen Group evaluated this modification as an immaterial modification of the financial assets that does not result in derecognition of the original financial asset. The modification gain or loss equals to the difference between the gross book value of the loan before modification and the net current value of the cash flows of the modified financial asset discounted at the original effective interest rate. The Raiffeisen Group recognized the modification loss in the consolidated statement of comprehensive income under "Other operating cost". As at 30 June 2020, the modification loss caused by the COVID-19 outbreak amounted to CZK 97 million.

In accordance with the EBA guidance, granting a private or public moratorium to a client is not automatically considered an indicator of a significant increase of credit risk leading to worse exposure staging. On the other hand, it may result in worse staging of the client based on individual assessment as part of extraordinary or regular monitoring or annual assessment renewal. The Raiffeisen Group's exposures under a public or private moratorium are reported as forborne exposures, however without automatically worsening the risk category. When evaluating significant increases of credit risk, the Raiffeisen Group continues to apply a set of qualitative,

quantitative and additional criteria. In connection with the COVID-19 outbreak, the Raiffeisen Group created provisions in the amount of CZK 387.7 million.

The Raiffeisen Group regularly monitors development of the clients under loan repayment moratoria in order to (i) support the clients with targeted selected measures; (ii) set up the recovery personnel capacities for the anticipated wave of defaults in the course of the fourth quarter of 2020; and (iii) estimate the future impacts on the profit and loss statement on a regular basis. The work and activities performed particularly consist of (i) dynamic monitoring of risk indicators; (ii) client surveys; and (iii) reasonable sizing of and seniority in expert teams focused on loan restructuring in retail and corporate segments.

The Raiffeisen Group also closely monitors the sectors that are most struck by effects of the COVID-19 outbreak (automotive industry, hotels and tourism, hospitality and entertainment, transport, etc.). Rules applicable to the assessment of risk categories were adjusted in respect of retail clients in these sectors. In corporate segments, individual assessment was used to review the entire portfolio in the affected segments and to evaluate the risk associated with particular clients under different stress scenarios of effects of the COVID-19 outbreak.

For the time being, the economic outlook remains uncertain due to the risk of the subsequent waves of the COVID-19 outbreak. Following evaluation of the current situation and possible scenarios of future development, the Raiffeisen Group's management expects the Raiffeisen Group's business in 2020 to remain profitable; the economic results for 2020 will be sufficient to cover the Raiffeisen Group's capital needs and there is no significant uncertainty relating to events or circumstances that might crucially challenge the Raiffeisen Group's ability to continue as a going concern.

The extent of the risk posed by the COVID-19 outbreak in the future is, however, 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.

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

Under Act No. 177/2020 Coll., on credit repayment measures in connection with COVID-19 pandemic (the "**COVID-19 Loan Moratorium Act**") each borrower of (i) a loan in relation to which a loan agreement has been signed and which has been utilised before 26 March 2020; or (ii) a loan in relation to which a loan agreement has been signed before 26 March 2020, but the loan has not been utilised, if the loan is, inter alia, secured by mortgage of real estate or used for real estate development, had the option to apply for the Moratorium. If the borrower notified the lender of its intention to take advantage of the Moratorium, the Moratorium was going to run 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 notifies its intention to use such shortened Moratorium period.

In particular, this means that:

- (a) the moment of fulfilment of monetary debts owed by the borrower to the lender under the loan agreement was postponed by the duration of the Moratorium; and
- (b) the duration of the security securing the loan was extended by the duration of the Moratorium.

During the Moratorium, both principal and interest payments were deferred for loans provided to natural persons, whereas only principal payments were deferred for loans provided to legal persons. During the Moratorium, the interest rates on the consumer loans were capped at a rate corresponding to the repo rate published by the CNB increased by eight percentage points.

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 and will continue to have an impact on its business. The intention of the COVID-19 Loan Moratorium Act from the perspective of credit institutions, including the Issuer, was to avoid costs caused by a necessity to create adjustments, because, given the public law nature of the regulation introduced by the COVID-19 Loan Moratorium Act and the fact that neither party was initiating the deferral of payments, it is not necessary to automatically classify the exposures which would be subject to a deferral of payments in connection with the COVID-19 Loan Moratorium Act as non-performing or forbore exposures until the end of the Moratorium, which implies that the deferral of payments in connection with the COVID-19 Loan Moratorium Act should not have a significant impact on the fulfilment of the credit institutions' capital

requirements. Simultaneously, the Issuer remains obliged to assess and monitor the credit quality of the exposures benefiting from the measures introduced by the COVID-19 Loan Moratorium Act. At the same time, however, there will be some uncertainty as the debtor's ability to repay cannot be adequately monitored during the Moratorium and there is a risk that a number of debtors will be in default after its ending any way and the Issuer will have to incur additional costs connected with creating adjustments.

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 June 2020 was 74 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. In addition, it cannot be assumed with certainty that the Moratorium will not be extended in the event of the continuing consequences of the COVID-19 outbreak, which would further reduce the Issuer's liquidity. As of 18 September 2020, 422,217 clients in the Czech Republic have opted for the Moratorium, whereas the aggregate amount of the loans affected by the Moratorium as of 3 July 2020 was CZK 661 billion.

Further, under the COVID-19 Insolvency Act, the debtor's obligation to file for insolvency is suspended for the duration of the relevant measures taken by the Czech Government, as well as for six months following their expiry, but no longer than until 30 June 2021. 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. The changes implemented by the COVID-19 Insolvency Act 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.

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

The Issuer's operations in the Czech Republic are exposed to a wide range of risks such as currency fluctuations, regulatory changes, inflation, deflation, economic recession, local market disruption, social unrest, changes in disposable income or gross national product, variations in interest rates and taxation policies, levels of 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 could have an adverse effect on the overall economic and political stability of the country. As substantially all of the Issuer's business is conducted in the Czech Republic, the Issuer is particularly exposed to macroeconomic or other factors that may adversely affect growth in the Czech banking market and the credit-worthiness of Czech retail and corporate customers. There can be no assurance that any political or economic instability will not occur in the Czech Republic 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 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 22 September 2020, it is expected that the economic activity will gradually recover, however the economic performance is expected to drop by 6.6 per cent. in 2020 with steep decline in all areas of use other than general government consumption.<sup>1</sup> Based on the forecast of the CNB announced on 6 August 2020, the level of inflation in the third quarter of 2021 is expected at 2.2 per cent., whereas it is expected to remain at this level also in the fourth quarter of 2021.<sup>2</sup> 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 Czech economy is unlikely to 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.

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<sup>1</sup> Source: Macroeconomic Forecast of the Ministry of Finance of the Czech Republic available at: <https://www.mfcr.cz/en/statistics/macroeconomic-forecast/2020/macroeconomic-forecast-september-2020-39480>

<sup>2</sup> Source: Forecast of the CNB available at: <https://www.cnb.cz/en/monetary-policy/forecast/>

***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 ("CEE"), and the Czech Republic 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 banking market is 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 banking market continues to see an emergence of low-cost banks primarily focused on providing internet-based banking services.

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 PSD2, it may have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

***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. 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 or regulation conducted by Czech, and/or European policy makers, the Czech National Bank (the "CNB") 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.

***Current banking industry trends could adversely affect the Issuer***

European banks are highly sensitive to changes in financial markets and economic conditions globally and especially in Europe. Since approximately mid-2007, the European banking sector has found itself operating under difficult and unstable conditions that have required action by governments and central banks to support financial institutions, including injections of liquidity and direct interventions in the recapitalisation of some of these entities. These conditions have caused, among other things, significant write-downs of asset values by financial institutions, negatively affected the financial markets and have particularly penalised banking systems of countries such as Italy, Spain or Portugal, where the exposure to sovereign debt is higher than in the other EU Member States.

Recent difficulties including, among other things, capital shortages and the size of portfolios of non-performing loans particularly in the Italian banking sector suggest that certain deficiencies and problems of the European banking sector still persist. Further, the European banking industry was adversely affected by a recession

witnessed in Turkey in the second half of 2018 and early 2019. The recent COVID-19 outbreak and the measures adopted to prevent and limit its impact on both the businesses and the individuals largely influence the banking sector. There are number of factors associated with the COVID-19 outbreak and its impact on global economies that could have a material adverse effect on (among other things) the profitability, capital and liquidity of financial institutions such as the Issuer. European banks now face, among others, lower volumes in their traditional business activity, capital shortages, low interest rates, fluctuation of commodity prices, cautious investor sentiment, continuing write-offs of their portfolio of non-performing loans and also uncertainty and unpredictability of the applicable regulatory framework. All these factors are contributing to lower returns and more importantly may contribute to the threat of contagion risk that is immanent in the tightly globalized banking sector. If the conditions in which European banks operate further deteriorate, 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 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 United Kingdom) 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 BRRD contains four resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that (a) a relevant entity is failing or is likely to fail; (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such relevant entity within a reasonable timeframe; and (c) a resolution action is in the public interest: (i) sale of business – which enables resolution authorities to direct the sale of the relevant entity or the whole or part of its business on commercial terms; (ii) bridge institution - which enables resolution authorities to transfer all or part of the business of the relevant entity to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control), which may limit the capacity of the relevant entity to meet its repayment obligations; (iii) asset separation - which enables resolution authorities to transfer impaired or problematic assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) bail-in - which gives resolution authorities the power to write-down certain claims of unsecured creditors of a failing relevant entity (which write-down may result in the reduction of such claims to zero) and to convert certain unsecured debt claims, including (to a limited extent as described below) Mortgage Covered Bonds, to equity or other instruments of ownership (the "**general bail-in tool**"), which equity or other instruments could also be subject to any future cancellation, transfer or dilution. In general, relevant claims for the purpose of the bail-in tool would include claims of the holders in respect of any bonds issued under a programme or on a standalone basis (although in the case of Mortgage Covered Bonds or other Czech Mortgage Covered Bonds, this would only be the case if and to the extent any amounts payable in respect of Mortgage Covered Bonds or Czech Mortgage Covered Bonds exceeded the value of assets in the relevant cover pool which serve as collateral against which payment of amounts owed under Mortgage Covered Bonds or Czech Mortgage Covered Bonds is secured).

The BRRD also provides for the ability of a Member State as a last resort, after having assessed and exploited the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework.

A relevant entity will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances).

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 Czech Act No. 374/2015 Coll., on Recovery and Resolution of in the Financial Market, as amended (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 "*General Description of Czech Legislation relating to Mortgage Covered Bonds*".

***The Basel III framework may affect the capital requirements and/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 (recast) (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 and the Net Stable Funding Ratio). Basel III set an implementation deadline on member countries to implement the new capital standards from January 2013, the new Liquidity Coverage Ratio from January 2015 and the Net Stable Funding Ratio 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/or 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 investment 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 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 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<sup>3</sup> 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 "*Czech Banking Regulation - Capital Adequacy Requirements*" below for further information).

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.

### ***Access to capital markets***

The Issuer's funding depends in part upon issues of retail bonds and covered bonds placed on local markets. The continuing ability of the Issuer to access such funding sources on favourable economic terms is dependent upon a variety of factors, including factors outside its control, such as prevailing market conditions or the investors' perception of risks related to investing in the Czech Republic. There can be no assurance that the Issuer will continue to be able to access such funding sources on favourable terms in the future, the lack of which could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base or prospects.

### ***The United Kingdom's departure from the EU could adversely affect the Issuer***

The UK has left the EU as of 31 January 2020 (the "**Brexit**"). Now, during a transitional period (until 31 December 2020 as on 12 June 2020, the UK formally confirmed that it would not be seeking an extension and this was formally accepted by the EU), the UK will abide by the EU rules despite not being a member while the future terms of the UK's relationship with the EU are being negotiated. The uncertainties are likely to continue to result in market disruptions potentially affecting the Issuer and heightened volatility in the market. As of the date of this Base Prospectus, the terms of a trade deal and the relationship of the UK and the EU remain undetermined. Particularly a Brexit without a deal, which could occur if the EU and the UK fail to reach an agreement, is likely to adversely and significantly affect European or worldwide economic or market conditions and may contribute to instability in global financial and foreign exchange markets. In addition, it would likely lead to legal uncertainty and divergent national laws and regulations. Any of these effects of the 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.

### **Risks Related to the Issuer's business**

#### ***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 retail deposits, a significant proportion of which are demand deposits. As of 30 June 2020, the Issuer's customer deposits comprised 84 per cent. of its total liabilities and, of the total amount of these deposits, 96 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.

Additionally, if depositors in other financial institutions in the Czech Republic or other countries were to withdraw significant amounts of savings generally, resulting in a failure of that institution, this could create a systematic effect among depositors and investors in the Czech Republic. This could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

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<sup>3</sup> Source: <https://www.bankingsupervision.europa.eu/press/pr/date/2020/html/ssm.pr200312~43351ac3ac.en.html>



### ***The Issuer is exposed to liquidity risks***

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 banking system.

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 is exposed to volatility in interest rates and interest spread risks***

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 (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, then its net interest income will also decrease unless it 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 following 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.

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, prospects or reputation.

***The Issuer 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.

***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 the 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, prospects or reputation.

***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 a decline in certain markets (either related to the recent COVID-19 outbreak or not) may reduce the value of collateral securing the Issuer's loans and advances, 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.

Since there is a return towards a downturn in economic conditions in the Czech Republic 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.

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 30 June 2020, 15 per cent. of the Issuer's loans were uncollateralised. In the case of a default of such a loan, the Issuer has no recourse to collateral, and as a result of this 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, prospects or reputation.

***Defaults by counterparties may lead to losses that exceed the Issuer's provisions and the maximum probable losses predicted by the Issuer's risk management processes and procedures***

The Issuer is exposed to the risk that borrowers or other counterparties will 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 may incur losses if its counterparties default on their obligations. If losses arising from counterparty defaults significantly exceed the amounts of the Issuer's provisions or require an increase of such 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 Issuer continues to maintain a very sound loan portfolio. Losses from non-performing loans and other debts dropped 59.3 per cent. year on year, totalling slightly less than CZK 330 million. Impairment of loans of the Raiffeisen Group decreased by 60.4 per cent. to CZK 349 million. The Raiffeisen Group keeps a very good quality of client's credit portfolio. The proportion of loans and advances with default increased year-on-year from 1.9 per cent. to 2.0 per cent. of the total loan portfolio. However, changes in economic conditions caused by the recent COVID-19 outbreak may give rise to number of the Raiffeisen Group's defaulting clients which may then adversely affect the structure of the Raiffeisen Group's loan portfolio. Moreover, the future development of these figures cannot be predicted with certainty.

Concerns about potential defaults by one financial institution can lead to significant liquidity problems, losses for, or defaults by, other financial institutions. The commercial and financial stability of many financial institutions is interrelated due to credit, trading and other relationships, and consequently even a perceived lack of creditworthiness may lead to market-wide liquidity problems. This could lead to a need for the Issuer to raise additional capital while at the same time making it more difficult to do so. If the levels of the counterparty risk return it could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

***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 definition of operational risk includes legal risk, but excludes strategic and reputational risk. Legal risk includes, among others, exposure to fines, penalties or punitive damages resulting from supervisory actions, as well as private settlements.

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.

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 shut-down 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 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 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.

***Resignation or loss of key personnel could have an adverse effect on the Issuer's ability to execute its strategy***

The Issuer's key personnel, including the members of the Board of Directors of the Issuer and other members of the Issuer's senior management, have been instrumental in establishing and implementing the Issuer's key strategies. Their continued service at the Issuer is critical to the overall management of the Issuer and its ability to implement its strategies. The loss of their services, or the inability to attract and retain other suitably qualified senior management personnel, could have a material adverse effect on the Issuer's business, results of operations, financial condition, liquidity, capital base, prospects or reputation.

***The Issuer may have difficulty recruiting or retaining qualified employees***

The continued growth of the Issuer's existing operations and its ability to successfully expand its business depends on its ability to retain existing employees and to identify, recruit and retain additional individuals who are not only familiar with the local language, customs and market conditions, but also have the necessary qualifications and level of experience in banking and related businesses. In the Czech Republic, where the Issuer operates, the pool of individuals with the required set of skills is smaller than in most Western European countries. Increasing competition for labour in the Czech Republic from other financial institutions may also make it more difficult for the Issuer to attract and retain qualified employees and could lead to increases in labour costs. If the Issuer is unable to attract and retain new talent or if competition for qualified employees increases its labour costs, 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 may have difficulty detecting or deterring employee misconduct***

The Issuer faces the risk of further loss due to its employees' lack of knowledge, employee error, including administrative or record keeping errors, wilful or negligent violation of laws, rules, regulations and internal policies and procedures or other misconduct. Misconduct by employees occurs in the financial services industry and could involve, among other things, improper use or disclosure of confidential information, violation of laws and regulations concerning financial abuse, including insider trading, money laundering, embezzlement and fraud, any of which could result in regulatory sanctions and fines as well as serious reputational and financial harm. Misconduct by employees, including violation of the internal risk management or other policies and procedures of the Issuer, could also include binding the Issuer to transactions that exceed authorised limits or present unacceptable risks, or hiding unauthorised or unsuccessful activities, which, in either case, may result in unknown and unmanaged risks and losses. It is not always possible to deter employee misconduct and the precautions the Issuer takes to detect such activity may not be effective. Given the Issuer's high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. In addition, a number of banking transactions are not fully automated, which may further increase the risk that human error or employee tampering will result in losses that may be difficult to detect quickly or at all. The direct and indirect costs of employee misconduct and reputational harm could be substantial. 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 is exposed to foreign exchange and currency risks***

As of 30 June 2020, foreign exchange risks of the Issuer expressed as Value at Risk (VaR) was EUR 99,049 and the main foreign currencies, in which assets and liabilities of the Issuer were denominated, were EUR and USD (for details see "*Risk Management – Types of Risks Managed*"). The Issuer translates such assets and liabilities, as well as interest earned or paid on such assets and liabilities, and gains and/or losses realised upon the sale of such assets, to Czech Koruna in 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 the Czech Koruna against its principal trading and financing currencies (EUR and USD). In addition, the Issuer has a portfolio of derivative securities which expose it to fluctuations in the value of the Czech Koruna against foreign currencies.

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 2020, 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. EUR 30 million, and with respect to the USD of the equivalent of EUR 30 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 trades various securities and derivatives, including debt, equity and commodities, both as agent and principal, and it derives a portion of its non-interest income from profits earned in such trades. The consolidated trading results including results of currency trading of the Issuer for the year 2019 were CZK 1.208 billion.

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 and prospects.

#### ***Risks related to the group interdependence***

The Issuer's business is interwoven on many levels with that of the group comprised of Raiffeisen Bank International AG ("**RBI**") and its direct and indirect subsidiaries including the Issuer (the "**RBI 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 the 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 RBI Group, particularly of the Issuer's parent company RBI 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 RBI'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, RBI 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 RBI 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 dependent on its banking and other licences***

The banking and other operations performed by the Issuer require it to obtain licences from the CNB and other Czech authorities. A large majority of the Issuer's business depends on its banking licence issued by the CNB. If the Issuer loses its general banking licence, it will be unable to perform any banking operations in the Czech Republic. 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 Regulatory Environment**

##### ***Changes and developments in laws or regulations in the Czech Republic 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 including, among other things, banking regulations 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, and tax, accounting and financial reporting regulations, 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. In 2019, the systemic risk buffer of the Issuer was set at 1 per cent.

In addition, the Issuer faces additional costs in connection with compliance with new legislation. Recently, this was the case with regards to, among other things, the PSD2, Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution (recast), and the GDPR (as defined below). Furthermore, the Czech Act No. 257/2016 Coll., on Consumer Credit, which became effective on 1 December 2016, substantially modified conditions under which consumer loans, including mortgage loans, are provided by, for instance, capping the fees that may be charged to a customer in connection with a prepayment of a loan. Finally, Czech Act No. 190/2004 Coll., Act on Bonds, as amended (the “**Czech Bonds Act**” was amended significantly on the grounds of Czech Act No. 307/2018 Coll. The Amendment to the Czech Bonds Act which entered into force on 4 January 2019 introduced new legal framework of covered bonds and new regulation of the concept of security agent.

In 2020, multiple bills have been introduced by the Czech government in response to the COVID-19 pandemic, some of which might have a significant impact on the financial and banking section (see *"Risk Factors - The Czech legislative measures taken in response to the COVID-19 pandemic will have effect on the Issuer's business"* above).

Recently, discussions that the Czech government is considering introducing a sector-specific tax or similar measures that would, if imposed, result in additional tax liabilities of banks in the Czech Republic, have appeared in the media. 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, 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.

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

In the ordinary course of its business, the Issuer and some other members of the Issuer are subject to regulatory oversight and liability risk. The Issuer carries out operations through a number of legal entities mainly in the Czech Republic, where it is subject to regulation. Laws and regulations applicable to the Issuer are continuously amended and new requirements are imposed on the Issuer and some other members of the Issuer, including, among others, regulations relating to financial services, securities products and other businesses, and tax, accounting and financial reporting regulations, anti-money laundering, consumer credit, capital requirements or corporate requirements.

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 or other 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.

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

Insolvency proceedings in the Czech Republic 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 may be, in certain cases, rather costly. As a result, the Issuer may be unable to enforce, for reasonable costs, collateral securing loans and other credit extended by the Issuer, including mortgage loans. This could have, if required and materialised in a large scale, 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 EUR 20 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.

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

***Risk of the United Kingdom no longer being party to the Recast Brussels Regulation***

In the event of a no-deal Brexit, the so-called Recast Brussels Regulation (Regulation (EU) No 1215/2012), which is the formal reciprocal regime on jurisdiction and judgments which is currently applied in the EU context will no longer apply in the United Kingdom. As a result, persons enforcing a judgment obtained before English courts will no longer be able to benefit from the recognition of such judgment in EU courts (including the Czech Republic) under the Recast Brussels Regulation. However, on 28 September 2020, the United Kingdom deposited its instrument of accession to the Hague Convention on Choice of Court Agreements 2005 (the "**Hague Convention**"). The Hague Convention is an international convention which requires contracting states to recognise and respect exclusive jurisdiction clauses in favour of other contracting states and to enforce related judgments. As the Czech Republic already is a party to the Hague Convention by virtue of being member state of the European Union, judgments handed down by a UK court should be recognized and enforced under this Convention in the Czech Republic. However, the scope of the Hague Convention is limited to contracts with exclusive jurisdiction clauses and there is no assurance that such judgments will be recognized on exactly the same terms and in the same conditions as under the Recast Brussels Regulation. It should be noted that this situation will arise only once the transitional period for the United Kingdom's departure from the EU expires (on 31 December 2020) and provided that the United Kingdom does not withdraw the instrument of accession to the Hague Convention.



## II. RISKS RELATED TO THE MORTGAGE COVERED BONDS

The Mortgage Covered Bonds issued pursuant to this Base Prospectus are complex financial instruments and are not suitable or appropriate investment for all investors. An investment in the Mortgage Covered Bonds is only suitable for investors experienced in financial matters who are in a position to fully assess the risks relating to such investment and who have sufficient financial means to absorb potential loss stemming therefrom.

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 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 – *Fixed Rate Mortgage Covered Bonds (including Step-up/Step-down Mortgage Covered Bonds)*) and risks relating to Floating Rate Mortgage Covered Bonds (see below – *Floating Rate* ). 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 favorable 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 Libor, 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 London Interbank Offered Rate ("**Libor**"), 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 Libor, 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 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and 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 and Libor, 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**<sup>®</sup>"), the Secured Overnight Financing Rate ("**SOFR**<sup>®</sup>") and the euro short-term rate ("**€STR**<sup>®</sup>") are administered by the Bank of England, the Federal Reserve Bank of New York and the ECB, respectively, SONIA<sup>®</sup>, SOFR<sup>®</sup> and €STR<sup>®</sup> 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. For example, on 27 July 2017, the United Kingdom Financial Conduct Authority (the "FCA") announced that it will no longer persuade or compel banks to submit rates for the calculation of the Libor Benchmark after 2021. 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<sup>®</sup>, SOFR<sup>®</sup> and €STR<sup>®</sup>***

Interest rates of Floating Rate Mortgage Covered Bonds may be linked to SONIA<sup>®</sup>, SOFR<sup>®</sup> and €STR<sup>®</sup>. SONIA<sup>®</sup> 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<sup>®</sup> as a reference rate in the capital markets and its adoption as an alternative to Sterling LIBOR. The market or a significant part thereof may adopt an application of SONIA<sup>®</sup> 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<sup>®</sup> 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<sup>®</sup> 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<sup>®</sup> is subject to important limitations and disclaimers. SOFR<sup>®</sup> is published based on data received from other sources. There can be no guarantee that the SOFR<sup>®</sup> 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<sup>®</sup> 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<sup>®</sup> 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<sup>®</sup> as an indicator of future changes in the SOFR<sup>®</sup>. Also, since the SOFR<sup>®</sup> 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<sup>®</sup> 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<sup>®</sup> based on data already available to the eurosystem. €STR<sup>®</sup> 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<sup>®</sup> 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.

### ***Risks of CMS Spread Mortgage Covered Bonds***

The Terms and Conditions of CMS Spread Mortgage Covered Bonds may provide for a variable interest rate (except for a possible agreed fixed rate payable to the extent provided for in the Terms and Conditions of Mortgage Covered Bonds) which is dependent on the difference between rates for swaps having different terms (the "**CMS Spread Mortgage Covered Bonds**").

Investors purchasing CMS Spread Mortgage Covered Bonds might expect that, during the term of the CMS Spread Mortgage Covered Bonds, (i) the interest curve will not, or only moderately, flatten out, or (ii), depending on the structure of CMS Spread Mortgage Covered Bonds, expect that the interest curve will not steepen, as the case may be. In the event that the market does not develop as anticipated by investors and that the difference between rates for swaps having different terms decreases to a greater extent than anticipated, the interest rate payable on the Mortgage Covered Bonds will be lower than the interest level prevailing as at the date of purchase. In a worst case scenario, no interest will be payable. In such cases, the price of the CMS Spread Mortgage Covered Bonds will also decline during the term.

CMS Spread 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 Bondholder 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.

CMS Spread Mortgage Covered Bonds may also be issued with one or more initial fixed interest period(s) which are connected upstream to the floating rate interest periods. In such case, risks relating to Fixed Rate Mortgage Covered Bonds apply with regard to the fixed interest period(s) of such CMS Spread Mortgage Covered Bonds as well.

#### ***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.

#### ***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.

#### ***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.

#### ***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).

#### ***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 "*Terms and Conditions of the Mortgage Covered Bonds*".

As discussed in "*Risks associated with over-indebted Covered Block and the principle of dual recourse*" 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 (*kryté dluhopisy*) are either: (i) bonds (*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 (*hypoteční zástavní listy*) (i.e. the only category of then recognized Czech covered bonds) to be issued not only as Czech law governed bonds (*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.

***Some rather recent major changes in the Czech civil and private law 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***

The Czech Act No. 89/2012 Coll., the Civil Code (the "**Czech Civil Code**"), the Czech Act No. 90/2012 Coll., (the "**Czech Corporations Act**"), the Czech Private International Law Act and other laws and regulations adopted in connection with the recodification of civil and private law in the Czech Republic are, amongst other things, essential for assessment of the validity and enforceability of the Issuer's and Mortgage Covered Bondholders' rights and obligations under the Mortgage Covered Bonds as a matter of Czech law. Considering that these laws and regulations took effect from 1 January 2014, there is very limited case law or market practice at this moment. It is not clear how the new and untested laws 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.

***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 Bond Programmes. 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 Issuer's Bond Programmes would (if the cross-default provision is contained therein). If the holders of the relevant covered bonds issued under the Issuer's 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 they 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 "*General Description of Czech Legislation relating to – 9. 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 Mortgaged Property Value might reduce over time causing the value of the Mortgage Loans to become insufficient to meet the relevant Contractual Asset Cover Test and Statutory Tests and to provide cover for the 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 (each as defined below in "General Description of Czech Legislation Relating to Mortgage Covered Bonds"); and (ii) Accessory Assets (as defined below).

Cover Assets must comply with the applicable requirements or criteria set out in the Czech Bonds Act. In particular, the nominal value of each Czech Bonds Act Mortgage Loan in the Cover Pool may not exceed 100% of the value of the Mortgaged Property (as defined in "General Description of Czech 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 Issuer fails to comply with the applicable requirements or criteria set out in the Czech Bonds Act, such non-compliance constitutes an administrative delict 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. The value of the Mortgaged Property 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) causing the value of the Mortgage Loans to become insufficient to meet the Contractual Asset Cover Test, the Statutory Tests and insufficient to provide cover for the issued and outstanding Mortgage Covered Bonds. If the Issuer subsequently fails to increase the value of assets included in the Cover Pool, this may ultimately result in Mortgage Covered Bondholders receiving less than the total interest and principal they were expecting in respect of the Mortgage Covered Bonds.

***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 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 "*General Description of Czech 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 holders of the relevant Accessory Debt 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.

***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, the CNB may, pursuant to the Czech Resolution and Recovery Act (which implements the BRRD), adopt a set of crisis prevention measures (in Czech, *opatření k předcházení krizi*) and crisis resolution measures (in Czech, *opatření k řešení krize*) (as described in "*General Description of Czech Legislation relating to Mortgage Covered Bonds – 8 Czech Resolution and Recovery Act*" below). The crisis resolution measures 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 as described in "*General Description of Czech 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.

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. Up to date, there is very little experience with such transfers in the Czech Republic.

Moreover, if the CNB would appoint the Covered Block Administrator, the administrator may transfer the Covered Block to a third person under certain circumstances (as described in "*General Description of Czech Legislation relating to Mortgage Covered Bonds – 9 Insolvency of the Issuer and the Cover Pool*" below). Even though the applicable laws provide for measures that serve to achieve that any such transfers would not be detrimental to the interests of the Mortgage Covered Bondholders, it cannot be guaranteed that the position of the Mortgage Covered Bondholders will in fact not deteriorate as a result of such transfers (if any).

***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.

***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***

Current Czech legislation governing civil law (including contract law and law of corporations) has become effective only on 1 January 2014. Such legislation is based predominantly on the principle of discontinuation from previous legal regime, introduces new legal concepts and phraseology, is entirely untested and to date there is only limited jurisprudence and real cases of practical application of such legislation; it also remains unclear which provisions of the new legislation can be derogated by contract.

Legal documents documenting the Mortgage Loans and any mortgage agreement creating a mortgage over any Mortgaged Property entered into (or, in some cases, substantially amended) after 31 December 2013 (the "**New Mortgage Loans**" or the "**New Mortgages**", as applicable) will most likely be subject to terms and requirements imposed by the new Czech civil law. The approach which the Czech courts will take in interpreting the new Czech civil law is uncertain and there is a risk that their interpretation may differ from the interpretation of the Issuer or its legal counsels adopted when preparing the relevant legal documentation. Consequently, no assurance can be given as to whether the Issuer's standardized documentation and other legal documents giving rise to New Mortgage Loans and New Mortgages would be found fully compliant with the requirements of new Czech civil law nor as to whether the rights and obligations arising under these legal documents (including the valid existence and priority of the mortgages) would be found valid and fully enforceable. Such partial or complete invalidity or unenforceability could have a material adverse effect.

### ***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.

## **Risks related to the admission of the Mortgage Covered Bonds to trading on a regulated market**

### ***Liquidity risk***

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

the market for debt securities generally. Such a decline may affect any liquidity and trading of the Fixed Rate Mortgage Covered Bonds independent of the Issuer's financial performance and prospects.

The fact that the Fixed Rate Mortgage Covered Bonds may be listed does not necessarily lead to greater liquidity as compared to unlisted Fixed Rate Mortgage Covered Bonds. If the Fixed Rate Mortgage Covered Bonds are not listed on any stock exchange, pricing information for such Fixed Rate Mortgage Covered Bonds may, however, be more difficult to obtain which may affect the liquidity of the Fixed Rate Mortgage Covered Bonds adversely. In an illiquid market, an investor might not be able to sell its Fixed Rate Mortgage Covered Bonds at any time at fair market prices. The possibility to sell the Fixed Rate Mortgage Covered Bonds might additionally be restricted by country specific reasons.

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

### *Market price risk*

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

Bondsholders of Fixed Rate Mortgage Covered Bonds are particularly exposed to the risk that the price of such Mortgage Covered Bonds falls as a result of changes in the Market Interest Rate levels. 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 Bonds, the current interest rate on the capital market typically changes on a daily basis. As the Market Interest Rate changes, the price of Fixed Rate Mortgage Covered Bonds also changes, but in the opposite direction. If the Market Interest Rate increases, the price of Fixed Rate Mortgage Covered Bonds typically falls, until the yield of such Mortgage Covered Bonds is approximately equal to the Market Interest Rate of comparable issues. If the Market Interest Rate falls, the price of Fixed Rate Mortgage Covered Bonds typically increases, until the yield of such Mortgage Covered Bonds is approximately equal to the Market Interest Rate of comparable issues. If Bondholders of Fixed Rate Mortgage Covered Bonds hold such Mortgage Covered Bonds until maturity, changes in the Market Interest Rate are without relevance to such Bondholders as the Mortgage Covered Bonds will be redeemed at a specified redemption amount, usually the principal amount of such Mortgage Covered Bonds.

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

Holders of Zero Coupon Mortgage Covered Bonds are exposed to the risk that the price of the 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.

## 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.

***In respect of any Mortgage Covered Bonds issued with a specific use of proceeds, such as a Green Mortgage Covered Bond or Social Mortgage Covered Bond, there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor***

The Final Terms relating to any specific Tranche of Mortgage Covered Bonds may provide that it will be the Issuer's intention to apply the net proceeds or an amount equivalent to the net proceeds from an offer of those Mortgage Covered Bonds specifically for projects and activities that promote climate-friendly and other environmental purposes or social purposes ("**ESG Projects**"). The net proceeds of such Mortgage Covered Bonds are not segregated and the performance of the ESG Projects in which the net proceeds or an amount equivalent to the net proceeds of the Mortgage Covered Bonds may have been invested has no impact on the payment of principal and interest on the Mortgage Covered Bonds.

Prospective investors should have regard to the information set out in the relevant Final Terms 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.

In particular no assurance is given by the Issuer that the use of such proceeds for any ESG Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates.

Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green" or "sustainable" or "social" or such other equivalent label. Such definitions and market consensus are currently under development but no assurance can be given to investors that a clear definition or consensus will develop and, if developed in the future, that Mortgage Covered Bonds will comply with any such definition or label. Accordingly, the status of any Mortgage Covered Bonds as being "green", "social" or "sustainable" (or equivalent) could be withdrawn at any time.

As regards "green" or "environmentally sustainable economic activities", a basis for the determination of such a definition has been established in the EU with the publication in the Official Journal of the EU on 22 June 2020 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 (the "**Sustainable Finance Taxonomy Regulation**") on the establishment of a framework to facilitate sustainable investment (the "**EU Sustainable Finance Taxonomy**"). The EU Sustainable Finance Taxonomy is subject to further development by way of the implementation by the European Commission through delegated regulations of technical screening criteria for the environmental objectives set out in the Sustainable Finance Taxonomy Regulation.

While it is the objective of the Issuer to have its Green Bond Framework or Social Bond Framework in line with the relevant objectives for the EU Sustainable Finance Taxonomy, it is not known until the technical screening criteria for such objectives have been developed whether these will satisfy those criteria. Accordingly, alignment with the EU Sustainable Finance Taxonomy, once the technical screening criteria are established, is not certain.

Accordingly, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any ESG Projects will meet any or all investor expectations regarding any direct or indirect "green", "sustainable" or "social" or other equivalently-labelled impact or performance objectives or that any adverse environmental,

social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any ESG Projects. Also the criteria for what constitutes an ESG Project may be changed from time to time.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any report, assessment, 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 ESG Projects to fulfil any environmental, sustainability, social and/or other criteria. Any such report, assessment, opinion or certification may not address risks that may affect the value of Mortgage Covered Bonds or any project. For the avoidance of doubt, any such report, assessment, opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus and is not, nor should be deemed to be, a recommendation by the Issuer or any other person to buy, sell or hold any such Mortgage Covered Bonds. Any such report, assessment, opinion or certification is only current as of the date it was initially issued. Prospective investors must determine for themselves the relevance of any such report, assessment, opinion or certification and/or the information contained therein and/or the provider of such report, assessment, opinion or certification for the purpose of any investment in such Mortgage Covered Bonds. Currently, the providers of such reports, assessments, opinions and certifications are not subject to any specific regulatory or other regime or oversight.

In the event that any such Mortgage Covered Bonds are listed or admitted to trading on any dedicated "green" "environmental", "sustainable" or "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 or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer or any other person that any such listing or admission to trading will be obtained in respect of any such Mortgage Covered Bonds or, if obtained, that any such listing or admission to trading will be maintained during the life of the Mortgage Covered Bonds.

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

Any such event or failure by the Issuer, in particular to apply the net proceeds or an amount equivalent to the net proceeds of the Mortgage Covered Bonds for any ESG Projects as aforesaid or to obtain or publish any such report, assessment, opinion and certification or to obtain or uphold a listing or admission to trading on any stock exchange or securities market as aforesaid, will not (i) constitute an event of default under the Mortgage Covered Bonds (ii) give rise to any claim of a Mortgage Covered Bondholder against the Issuer or (iii) lead to an obligation of the Issuer to redeem the Mortgage Covered Bonds. Also any failure by the Issuer to provide any reporting or obtain any opinion will not constitute an Event of Default under the Mortgage Covered Bonds.

Any such event or failure to apply the proceeds of any issue of Mortgage Covered Bonds for any ESG Projects as aforesaid and/or withdrawal of any such opinion or certification or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any such 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 ESG Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

### ***Currency risk***

A holder of Mortgage Covered Bonds denominated in a foreign currency is exposed to the risk of changes in currency exchange rates which may affect the yield of such Mortgage Covered Bonds. Changes in currency exchange rates result from various factors such as macro-economic factors, speculative transactions and interventions by central banks and governments.

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

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

### ***The Mortgage Covered Bonds are not covered by the statutory deposit protection (pojištění pohledávek z vkladů)***

Claims of the Mortgage Covered Bondholders under the Mortgage Covered Bonds are not covered by the statutory deposit protection (*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.

### ***Mortgage Covered Bonds are obligations of the Issuer only***

The Mortgage Covered Bonds will 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 and with other obligations of the Issuer that have been provided the same priority as such Czech Mortgage Covered Bonds (issued pursuant to Section 28 *et seq*, Part 2, Clause III of the Czech Bonds Act). Any obligations of the Issuer arising from the Mortgage Covered Bonds are obligations of the Issuer which can be repaid or satisfied from any assets of the Issuer, subject to the special regime that applies in respect of the obligations arising from the outstanding Czech Mortgage Covered Bonds (including Mortgage Covered Bonds issued under the Programme) in the Issuer's insolvency (see "*General Description of Czech Legislation relating to – 9. Insolvency of the Issuer and the Cover Pool*").

An investment in the Mortgage Covered Bonds involves the risk that subsequent changes in the actual or perceived creditworthiness of the Issuer may adversely affect the market value of the relevant Mortgage Covered Bonds.

## DOCUMENTS INCORPORATED BY REFERENCE

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

- (a) the auditor's report and audited consolidated annual financial statements for the financial year ended 31 December 2018 of the Issuer including the information set out at the following pages<sup>4</sup> of the annual report for 2018:

Auditor's Report.....	Pages 41 to 48
Consolidated Statement of Comprehensive Income .....	Page 50
Consolidated Statement of Financial Position .....	Pages 51 to 52
Consolidated Statement of Changes in Equity.....	Page 53
Consolidated Cash Flow Statement .....	Pages 54 to 55
Financial Section (Accounting Principles and Notes) .....	Pages 56 to 153

(available at: <https://www.rb.cz/attachments/vyrocnizpravy/vz-rb-18-en.pdf>)

- (b) the unaudited interim consolidated financial statements for the six months ended 30 June 2019 of the Issuer including the information set out at the following pages:

Statement of Financial Position .....	Page 7
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(available at: <https://www.rb.cz/attachments/pololetnizpravy/semi-annual-report-2019-en.pdf>)

- (c) the auditor's report and audited consolidated annual financial statements for the financial year ended 31 December 2019 of the Issuer including the information set out at the following pages<sup>5</sup> of the annual report for 2019:

Auditor's Report.....	Pages 42 to 50
Consolidated Statement of Comprehensive Income .....	Page 52
Consolidated Statement of Financial Position .....	Pages 53 to 54
Consolidated Statement of Changes in Equity.....	Page 55
Consolidated Cash Flow Statement .....	Pages 56 to 57
Financial Section (Accounting Principles and Notes) .....	Pages 58 to 155

(available at: <https://www.rb.cz/attachments/vyrocnizpravy/vz-rb-19-en.pdf>)

- (d) the unaudited interim consolidated financial statements for the six months ended 30 June 2020 of the Issuer including the information set out at the following pages:

Statement of Comprehensive Income .....	Page 7
Statement of Financial Position .....	Page 8
Statement of Changes in Equity.....	Page 9

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<sup>4</sup> Please note that not all pages of the audited consolidated annual financial statements for the financial year ended 31 December 2018 of the Issuer are paginated and as such the relevant pages refer to the pages of the relevant PDF file thereof.

<sup>5</sup> Please note that not all pages of the audited consolidated annual financial statements for the financial year ended 31 December 2019 of the Issuer are paginated and as such the relevant pages refer to the pages of the relevant PDF file thereof.

Cash Flow Statement .....	Page 10
Accounting Principles and Notes.....	Pages 12 to 33

(available at: <https://www.rb.cz/attachments/pololetni-zpravy/semi-annual-report-2020-en.pdf>)

Any parts which are not explicitly listed in the above cross-reference lists 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](http://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 Final Terms will be published in English language only whereas German translation of the Final Terms as set out in Appendix I to this Base Prospectus may be prepared for reference.**

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

### OPTION I: EMISSIONSBEDINGUNGEN FÜR FESTVERZINSLICHE HYPOTHEKENPFANDBRIEFE

#### § 1

##### (Serie, Form der Hypothekendarfandbriefe, Ausgabe weiterer Hypothekendarfandbriefe)

- (1) Diese Tranche der Serie (die "**Serie**") von Hypothekendarfandbriefen (*hypoteční zástavní listy*; im Weiteren nur "**Hypothekendarfandbriefe**") der Raiffeisenbank a.s. (die "**Emittentin**") wird am [Ausgabetag einfügen] (der "**Ausgabetag**") in Form von Inhaberdhypothekendarfandbriefen auf der Grundlage dieser Hypothekendarfandbriefebedingungen (die "**Hypothekendarfandbriefebedingungen**") in [Festgelegte Währung einfügen] (die "**Festgelegte Währung**") im Gesamtnennbetrag von [Gesamtnennbetrag einfügen] (der "**Gesamtnennbetrag**") in einer Stükelung von [Festgelegte Stükelung einfügen] (die "**Festgelegte Stükelung**") begeben.

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

- (2) Die Hypothekendarfandbriefe 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 Hypothekendarfandbriefe keine U.S.-Person(en) ist bzw. sind (ausgenommen bestimmte Finanzinstitute oder Personen, die Hypothekendarfandbriefe 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 Hypothekendarfandbriefe (die "**Hypothekendarfandbriefgläubiger**") haben keinen Anspruch auf Ausgabe von Hypothekendarfandbriefen in effektiver Form. Die Hypothekendarfandbriefe 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:

- (2) Die Hypothekendarfandbriefe 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 Hypothekendarfandbriefe (die "**Hypothekendarfandbriefgläubiger**") haben keinen Anspruch auf Ausgabe von Hypothekendarfandbriefen in effektiver Form. Die Hypothekendarfandbriefe sind als Miteigentumsanteile an der Globalurkunde nach den einschlägigen Bestimmungen des Clearingsystems übertragbar. Die Zinsansprüche sind durch die Globalurkunde verbrieft.]
- (3) Jede Globalurkunde wird von einem oder im Namen eines Clearingsystems verwahrt. "**Clearingsystem**" sind Clearstream Banking S.A., 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")].

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

- (4) Die Hypothekendarlehenbriefe 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:

- (4) Die Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefen führt) sind schlüssiger Nachweis über den Nennbetrag der durch die Globalurkunde verbrieften Hypothekendarlehenbriefe und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bestätigung mit dem Nennbetrag der so verbrieften Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Hypothekendarlehenbriefe abgezogen. [Falls die Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefgläubiger weitere Hypothekendarlehenbriefe mit gleicher Ausstattung in der Weise begeben, dass sie mit den Hypothekendarlehenbriefen zusammengefasst werden, mit ihnen eine einheitliche Serie bilden und den Gesamtnennbetrag der Hypothekendarlehenbriefe erhöhen. Der Begriff "Hypothekendarlehenbriefe" umfasst im Fall einer solchen Erhöhung auch solche zusätzlich begebenen Hypothekendarlehenbriefe.

## § 2 (Verzinsung)

- (1) Die Hypothekendarlehenbriefe 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 Geschäftstagskonvention [Wenn eine Anpassung (wie in § 4 bestimmt) erfolgt einfügen: oder einer Anpassung], gemäß § 4 [(2)][(3)] nachträglich an jedem Zinszahlungstag gemäß den Bestimmungen des § 4 (1) zur Zahlung fällig. Die erste Zinszahlung wird, vorbehaltlich einer Anpassung gemäß § 4 [(2)][(3)], am [ersten Zinszahlungstag einfügen] erfolgen. [Im Falle eines kurzen/langen ersten Kupons, einfügen: und beläuft sich auf [anfänglichen Bruchteilzinsbetrag je festgelegter Stückelung, einfügen] je festgelegte Stückelung] [[anfänglichen Bruchteilzinsbetrag bezogen auf den Gesamtnennbetrag, einfügen] bezogen auf den Gesamtnennbetrag]. [Im Falle eines kurzen/langen letzten Kupons, einfügen: Die Zinsen für den Zeitraum vom [Zinszahlungstag, der dem Fälligkeitstag vorausgeht, einfügen] (einschließlich) bis zum Fälligkeitstag (ausschließlich) belaufen sich auf [abschließenden Bruchteilzinsbetrag je festgelegter Stückelung, einfügen] je festgelegte Stückelung]. [[anfänglichen Bruchteilzinsbetrag bezogen auf den Gesamtnennbetrag, einfügen] bezogen auf den Gesamtnennbetrag].

- (2) "**Zinssatz**" meint

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

*[jährlichen Festzinssatz einfügen].*

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

*[Im Fall von Stufenzins Hypothekendarlehen einfügen:*

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

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

<b>Zinszahlungstag</b>	<b>Zinssatz</b>
<i>[erster Zinszahlungstag]</i>	<i>[Zinssatz]</i>
<i>[Für jeden weiteren Zinszahlungstag, einfügen: [Zinszahlungstag einfügen]</i>	<i>[Zinssatz]</i>
Fälligkeitstag	<i>[Zinssatz]</i>

- (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 Hypothekendarlehen anzuwendenden Verlängerten Fälligkeitstags einfügen:*

- (4) Kommt es im Einklang mit § 3 Abs. [3][4][5] zu einer Verlängerung der Fälligkeit der Hypothekendarlehen über den Fälligkeitstag hinaus, so werden die Hypothekendarlehen ab dem Fälligkeitstag (einschließlich) bis zum relevanten, auf den Fälligkeitstag folgenden Zinszahlungstag, zu dem die Hypothekendarlehen 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 Hypothekendarlehen 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 Hypothekendarlehen auf, und zwar bezüglich der Zinsperiode, die unmittelbar vor dem relevanten Zinszahlungstag endet. Der letzte Zinszahlungstag fällt spätestens auf den Tag des Verlängerten Fälligkeitstags.
- (5) Wird die Fälligkeit der Hypothekendarlehen 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 Hypothekendarlehen an jedem Zinszahlungstag nach dem Fälligkeitstag für die unmittelbar vor dem jeweiligen Zinszahlungstag 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 *[Zinszahlungstag(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 Hypothekendarlehen zum Fälligkeitstag (bzw. innerhalb von zwei Bankarbeitstagen nach dem Fälligkeitstag) (vollständig) zurückzuzahlen, woraufhin die Fälligkeit dieser Hypothekendarlehen automatisch im Einklang mit § 3 Abs. [3][4][5] bis zum Verlängerten Fälligkeitstag verlängert wird.]



- (4) "**Zinstagequotient**" ist bei der Berechnung des auf einen Pfandbrief 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 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.]

*[Im Fall von 30/360 (ISDA) oder 360/360 oder Bond Basis 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**<sub>1</sub>" ist das Jahr, ausgedrückt als Zahl, in das der erste Tag des Berechnungszeitraums fällt;

"**Y**<sub>2</sub>" ist das Jahr, ausgedrückt als Zahl, in das der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

"**M**<sub>1</sub>" ist der Kalendermonat, ausgedrückt als Zahl, in den der erste Tag des Berechnungszeitraums fällt;

"**M**<sub>2</sub>" ist der Kalendermonat, ausgedrückt als Zahl, in den der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

"**D**<sub>1</sub>" ist der erste Kalendertag des Berechnungszeitraums, ausgedrückt als Zahl, es sei denn, diese Zahl wäre 31, in welchem Fall **D**<sub>1</sub> gleich 30 ist; und

"**D**<sub>2</sub>" ist der Kalendertag, ausgedrückt als Zahl, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt, es sei denn, diese Zahl wäre 31 und **D**<sub>1</sub> ist größer als 29, in welchem Fall **D**<sub>2</sub> gleich 30 ist.]]

*[Im Fall von 30E/360 oder Eurobond Basis 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**<sub>1</sub>" ist das Jahr, ausgedrückt als Zahl, in das der erste Tag des Berechnungszeitraums fällt;

"**Y**<sub>2</sub>" ist das Jahr, ausgedrückt als Zahl, in das der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

"**M**<sub>1</sub>" ist der Kalendermonat, ausgedrückt als Zahl, in den der erste Tag des Berechnungszeitraums fällt;

"M<sub>2</sub>" ist der Kalendermonat, ausgedrückt als Zahl, in den der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

"D<sub>1</sub>" ist der erste Kalendertag des Berechnungszeitraums, ausgedrückt als Zahl, es sei denn, diese Zahl wäre 31, in welchem Fall D<sub>1</sub> gleich 30 ist; und

"D<sub>2</sub>" 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<sub>2</sub> gleich 30 ist.]]

*[Im Fall von 30E/360 (ISDA) (nur, wenn ISDA 2006 Definitionen anwendbar sein sollen) 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<sub>1</sub>" ist das Jahr, ausgedrückt als Zahl, in das der erste Tag des Berechnungszeitraums fällt;

"Y<sub>2</sub>" ist das Jahr, ausgedrückt als Zahl, in das der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

"M<sub>1</sub>" ist der Kalendermonat, ausgedrückt als Zahl, in den der erste Tag des Berechnungszeitraums fällt;

"M<sub>2</sub>" ist der Kalendermonat, ausgedrückt als Zahl, in den der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

"D<sub>1</sub>" 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<sub>1</sub> gleich 30 ist; und

"D<sub>2</sub>" 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<sub>2</sub> 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 Gesetzeswidrigkeit oder Ungültigkeit, Optionale Rückzahlung nach Wahl der Emittentin (Call Option), Verlängerter Fälligkeitstag])**

- (1) Die Hypothekendarlehen 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 Hypothekendarlehen 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 Hypothekendarlehen können nach Wahl der Emittentin jederzeit (insgesamt, jedoch nicht teilweise), nach vorheriger (unwiderruflicher) Mitteilung an die Hauptzahlstelle und gemäß § 11 an die Hypothekendarlehenbesitzer 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 Hypothekendarlehenpfandbriefe 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 Hypothekendarlehenpfandbriefe 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 Hypothekendarlehenpfandbriefe dann fällig wäre.

Bevor die Emittentin die Rückzahlung gemäß diesem § 3 Abs. 2 ankündigt, wird sie der Hauptzahlstelle (zwecks Bereitstellung zur Einsichtnahme durch die Hypothekendarlehenpfandbriefgläubiger 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 Hypothekendarlehenpfandbriefgläubiger 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 Hypothekendarlehenpfandbriefe werden zum Rückzahlungsbetrag zurückbezahlt, zusammen (falls anwendbar) mit den bis zum Fälligkeitstag (ausschließlich) aufgelaufenen Zinsen.

[(2)] [(3)] Die Hypothekendarlehenpfandbriefe können nach Wahl der Emittentin jederzeit (insgesamt, jedoch nicht teilweise), nach vorheriger (unwiderruflicher) Mitteilung an die Hauptzahlstelle und gemäß § 11 an die Hypothekendarlehenpfandbriefgläubiger 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 eines Hypothekendarlehenpfandbriefs gesetzwidrig geworden ist oder gesetzwidrig wird, weiterhin Hypothekendarlehenpfandbriefe 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 Hypothekendarlehenpfandbriefgläubiger 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 Hypothekendarlehenpfandbriefe 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 Hypothekendarlehenpfandbriefe 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 Hypothekendarlehenpfandbriefe werden zum [betreffenden] Kündigungstermin zum Optionalen Rückzahlungsbetrag [Falls aufgelaufene Zinsen separat gezahlt werden, einfügen: einschließlich aller Zinsen, die bis zum Kündigungstermin anfallen,] gemäß den Vorschriften des § 4 zurückgezahlt.

Der Optionale Rückzahlungsbetrag (der "**Optionale Rückzahlungsbetrag**") [je Pfandbrief] [der Hypothekendarlehenpfandbriefe] 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 Hypothekendarlehenpfandbriefe anzuwendenden Verlängerten Fälligkeitstags einfügen:

[(3)] [(4)] [(5)] Falls die Emittentin es versäumt, alle diese Hypothekendarlehenpfandbriefe vollständig zum Fälligkeitstag (oder innerhalb von zwei Bankarbeitstagen nach dem Fälligkeitstag) zurückzuzahlen, wird die Fälligkeit der Hypothekendarlehenpfandbriefe und das Datum, zu dem diese Hypothekendarlehenpfandbriefe für die Zwecke dieser Hypothekendarlehenpfandbriefbedingungen zur Rückzahlung anstehen, automatisch bis zum Verlängerten Fälligkeitstag (einschließlich) verlängert. In einem solchen Fall ist die Emittentin berechtigt, den ausstehenden Kapitalbetrag der Hypothekendarlehenpfandbriefe 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 Hypothekendarlehenpfandbriefgläubigern (im Einklang mit § 11) und der Hauptzahlstelle mindestens fünf Bankarbeitstage vor dem Fälligkeitstag oder dem jeweiligen Zinszahltag mitzuteilen, ob sie beabsichtigt, den ausstehenden Kapitalbetrag der Hypothekendarlehenpfandbriefe 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 Hypothekendarlehenpfandbriefe 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 Hypothekendarlehenpfandbriefe) 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 Hypothekendarlehenpfandbriefe nicht zum Fälligkeitstag bzw. dem jeweiligen Zinszahltag zurückgezahlt werden.

[(5)] [(6)] [(7)] Eine einmal erfolgte Verlängerung der Fälligkeit der Hypothekendarlehenpfandbriefe gemäß § 3 Abs. [3] [4] [5] ist unwiderruflich. Soweit § 3 Abs. [3] [4] [5] anwendbar ist, stellt ein Versäumnis der Rückzahlung der Hypothekendarlehenpfandbriefe am Fälligkeitstag (es sei denn, die Emittentin hat im Einklang mit § 3 Abs. [3] [4] [5] [6] die Rückzahlung der Hypothekendarlehenpfandbriefe angezeigt) oder eine Verlängerung der Fälligkeit der Hypothekendarlehenpfandbriefe bis zum Verlängerten Fälligkeitstag gemäß § 3 Abs. [3] [4] [5] keinen Kündigungsgrund für irgendwelchen Zweck dar, und gibt keinem Hypothekendarlehenpfandbriefgläubiger das Recht, eine Zinszahlung, Kapital oder andere Zahlungen auf die betreffenden Hypothekendarlehenpfandbriefe zu erhalten, es sei denn, solche Zahlungen sind ausdrücklich in diesen Hypothekendarlehenpfandbriefbedingungen vorgesehen.

[(6)] [(7)] [(8)] [Bei einer Verlängerung der Fälligkeit der Hypothekendarlehenpfandbriefe gemäß § 3 Abs. [3] [4] [5] werden Zinssätze, Zinsperioden und Zinszahltag betreffend die Hypothekendarlehenpfandbriefe 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 Hypothekendarlehenpfandbriefe an einem Zinszahltag, der in einen beliebigen Monat nach dem Fälligkeitstag fällt, zurückzahlt, werden die Rückzahlungserlöse anteilig über die Hypothekendarlehenpfandbriefe verteilt und der auf die Hypothekendarlehenpfandbriefe ausstehende Nennbetrag wird um die Höhe dieser Rückzahlung reduziert.

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

[(9)] [(10)] [(11)] §§ 3 Abs. [3] [4] [5] bis § 3 Abs. [9] [10] [11] finden nur auf Hypothekendarfbriefe Anwendung, wenn die Emittentin es versäumt, diese Hypothekendarfbriefe 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 *[Falls aufgelaufene Zinsen separat gezahlt werden, einfügen: 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 *[Falls aufgelaufene Zinsen gesondert gezahlt werden, einfügen: 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 *[Falls aufgelaufene Zinsen gesondert gezahlt werden, einfügen: einschließlich aller bis zu diesem Tag der Rückzahlung aufgelaufenen Zinsen][.]*

Die in diesem Absatz (1) genannten Beträge sowie alle weiteren gemäß diesen Hypothekendarfbriefebedingungen 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-Hypothekendarfbriefen 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 Hypothekendarlehenpfandbriefe (der "**Zahltag**") auf einen Tag, der kein Bankarbeitstag ist, dann:

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

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

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

haben die Hypothekendarlehenpfandbriefgläubiger 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 Hypothekendarlehenpfandbriefgläubiger 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 Hypothekendarlehenpfandbriefgläubiger. Die Zahlung an das Clearingsystem befreit die Emittentin in Höhe der Zahlung von ihren Verbindlichkeiten aus den Hypothekendarlehenpfandbriefen.



- (4) Sofern die Emittentin Zahlungen unter den Hypothekendarlehenbriefen bei Fälligkeit nicht leistet, wird der fällige Betrag auf Basis des gesetzlich festgelegten Satzes für Verzugszinsen<sup>6</sup> 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 Hypothekendarlehenbriefe, 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 § 11 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 § 11 mitzuteilen.

- (3)[4] Die Hauptzahlstelle [und die Zahlstelle[n]] [und die Berechnungsstelle] [handelt][handeln] im Zusammenhang mit den Hypothekendarlehenbriefen ausschließlich als Erfüllungsgehilfen der Emittentin, [übernimmt][übernehmen] keine Verpflichtungen gegenüber den Hypothekendarlehenbriefgläubigern 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.

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

## § 6

### (Steuern)

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

- (1) Zahlungen auf die Hypothekendarlehenbriefe 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.

<sup>6</sup> 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.

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

- (1) Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Hypothekendarlehen 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 Hypothekendarlehen 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 Hypothekendarlehen zustehen würden, mit der Ausnahme, dass keine solchen zusätzlichen Beträge für Hypothekendarlehen gezahlt werden:
  - (a) die in der Tschechischen Republik zur Zahlung vorgelegt werden; oder
  - (b) deren Inhaber für solche Steuern oder Abgaben in Bezug auf diesen Hypothekendarlehen aufgrund seiner (über die bloße Inhaberschaft des Hypothekendarlehens 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 den Hypothekendarlehen an diesem dreißigsten Tag zur Zahlung vorgelegt hätte, vorausgesetzt dieser Tag wäre ein Zahlungstag (wie in § 4 Abs. [2][3] definiert) gewesen.
- (2) 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.
- (3) Für die Zwecke dieser Hypothekendarlehenbedingungen 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 Hypothekendarleheninhaber ordnungsgemäß in Übereinstimmung mit § 11 davon verständigt wurden, dass der volle zu zahlende Betrag erhalten wurde.]

## § 7 (Rang)

- (1) Unbeachtlich § 15 handelt es sich bei den Hypothekendarlehen um gemäß §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes begebene Hypothekendarlehen (*hypoteční zástavní listy*).
- (2) Die Hypothekendarlehen verbrieften direkte, unbedingte, nicht nachrangige und unbesicherte Verbindlichkeiten der Emittentin und sind gleichrangig sowohl untereinander als auch bezüglich aller anderen von der Emittentin begebenen Tschechischen Hypothekendarlehen, 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 Hypothekendarlehen gleichrangig gestellt wurden. Obschon die Hypothekendarlehen unbesicherte Verbindlichkeiten der Emittentin darstellen, sind im Falle eines etwaigen gegen die Emittentin geführten Insolvenzverfahrens besondere Regeln für

die Verbindlichkeiten anwendbar, die sich aus solchen von der Emittentin begebenen ausstehenden Tschechischen Hypothekendarlehen ergeben.

- (3) Für die Zwecke dieser Hypothekendarlehenbedingungen haben die folgenden Begriffe die ihnen nachstehend zugeordnete Bedeutung:

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

- (a) für jedes CRR-Wohnhypothekendarlehen den jeweils niedrigeren Wert der folgenden Größen:
  - (i) den ausstehenden Nennwert des CRR-Wohnhypothekendarlehens;
  - (ii) 80 % des Werts der Beliehenen Immobilie bezüglich dieses CRR-Wohnhypothekendarlehens; und
  - (iii) den Eingetragenen Nennwert dieses CRR Wohnhypothekendarlehens;
- (b) für jedes CRR-Gewerbliche-Hypothekendarlehen den jeweils niedrigeren Wert der folgenden Größen:
  - (i) den ausstehenden Nennwert des CRR-Gewerblichen Hypothekendarlehens;
  - (ii) 60 % des Werts der Beliehenen Immobilie bezüglich dieses CRR-Gewerblichen Hypothekendarlehens; und
  - (iii) den Eingetragenen Nennwert dieses CRR-Gewerblichen Hypothekendarlehens;
- (c) für jedes Hypothekendarlehen gemäß SchVG-cz den jeweils niedrigeren Wert der folgenden Größen:
  - (i) den ausstehenden Nennwert des Hypothekendarlehens gemäß SchVG-cz;
  - (ii) den Wert der Beliehenen Immobilie bezüglich dieses Hypothekendarlehens gemäß SchVG-cz; und
  - (iii) den Eingetragenen Nennwert dieses Hypothekendarlehens gemäß SchVG-cz.
- (d) für jede PSB-Forderung und -Risikoposition: deren ausstehenden Nennwert;
- (e) für Bargeld: den ausstehenden Nennwert; und
- (f) für jedes Derivat: dessen tatsächlichen Wert gemäß anwendbarem Recht, vorausgesetzt dass, wenn ein solcher tatsächlicher Wert negativ ist, er als 0 (Null) anzusehen ist.

"**Sonderaufsichtsvertrag**" bezeichnet den Sonderaufsichtsvertrag vom 15. Dezember 2020 zwischen der Emittentin als Emittent und Deloitte Audit s.r.o. als Sonderaufseher (der "**Sonderaufseher**").

"**Sonderaufsichtsberechnungstag**" bezeichnet:

- (a) den Ersten Sonderaufsichtsberechnungstag; und
- (b) nach dem den Ersten Sonderaufsichtsberechnungstag:
  - (i) soweit kein fortbestehender Kündigungsgrund vorliegt: den Ersten Sonderaufsichtsberechnungstag und das Datum seiner alljährlichen Wiederkehr; und
  - (ii) nach Eintreten eines Kündigungsgrundes: jedes Monatliche Datum, das einen Kalendermonat oder später nach dem ersten Eintreten des Kündigungsgrundes folgt, solange dieser fortbesteht.

"**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.

"**Geschäftstag**" 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.

"**Bargeld**" bezeichnet Bargeldforderungen der Emittentin gemäß § 31 Abs. 2 d) des Tschechischen Schuldverschreibungsgesetzes.

"**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.

"**Deckungsaktiva**" bezeichnet die im Deckungsregister eingestellten Deckungsaktiva, die den Gesetzlichen Auswahlkriterien und den Vertraglichen Auswahlkriterien (falls zutreffend für die jeweiligen Deckungsaktiva) genügen.

"**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 Hypothekendarlehenbedingungen festgelegt sind, und die Verbindlichkeiten der Emittentin decken sollen, welche sich aus den Tschechischen Hypothekendarlehen 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-Gewerbliches-Hypothekendarlehen**" bezeichnet das CRR-Hypothekendarlehen, das durch die Beliehene Immobilie, die eine gewerblich genutzte Immobilie im Sinne der CRR ist, besichert ist.

"**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).

"**CRR-Wohnhypothekendarlehen**" bezeichnet das CRR-Hypothekendarlehen, das durch die Beliehene Immobilie, die eine Wohnimmobilie gemäß Artikel 4 Abs. 75 der CRR ist, besichert ist.

"**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.

"**PSB-Forderungen gemäß SchVG-cz**" bezeichnet die in § 31 Abs. 2 b) und c) des Tschechischen Schuldverschreibungsgesetzes genannten Forderungen.

"**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 Hypothekendarlehen**" bezeichnet alle Instrumente und Wertpapiere, die von der Emittentin in der Form von Hypothekendarlehen (*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 Hypothekendarlehen), im Rahmen der Darlehensprogramme der Emittentin, 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.

"**Tschechisches Liegenschaftskataster**" " bezeichnet das tschechische Liegenschaftskataster (*katastr nemovitosti*), das gemäß Gesetz Nr. 256/2013 Slg. über das Liegenschaftskataster, in der jeweils gültigen Fassung.

"**Dealer**" bezeichnet Raiffeisen Bank International, Raiffeisen Bank 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 Dealer Agreement vom 15. Dezember 2020 zwischen der Emittentin, Raiffeisen Bank International als Arrangeur und Dealer, und Raiffeisen Bank a.s. als Dealer.

"**Schulden**" bezeichnet alle Schulden, die durch die Deckungsmasse gedeckt sind zu Zwecken der in Artikel 28a Abs. 1 und 2 des Tschechischen Schuldverschreibungsgesetzes dargelegten gesetzlichen Tests.

"**Verzug**" bezeichnet einen Verzug in Bezug auf den Darlehensnehmer unter dem Hypothekendarlehen gemäß Artikel 178 der CRR.

"**Notleidendes Darlehen**" " bezeichnet ein in der Deckungsmasse enthaltenes Hypothekendarlehen bezüglich dessen ein Verzug eingetreten ist und weiterhin besteht.

"**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;

"**Englischrechtliches Hypothekendarlehenprogramm**" " bezeichnet das inaktive EUR 5.000.000.000 internationale Hypothekendarlehenprogramm mit ausstehenden Hypothekendarlehen nach Tschechischem Recht, welche die Anforderungen der §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes und die Verordnung Nr. der CNB Nr. No. 164/2014 Slg. der CNB erfüllen (und damit unter die Definition der Tschechischen Hypothekendarlehen fallen).

"**Erster Sonderaufsichtsberechnungstag**" bezeichnet den 30. September 2020;

"**Ausgabetag**" bezeichnet einen Tag, an dem die Emittentin Hypothekendarlehen unter dem Programm begibt;

"**Ausgabe- und Zahlstellenvertrag**" bezeichnet den Vertrag über die Ausgabe- und Zahlstelle vom 15. Dezember 2020 zwischen der Emittentin und Citibank, N.A., London Branch als der Hauptzahlstelle.

"**Pfandbriefprogramme der Emittentin**" bezeichnet sowohl das Englischrechtliche Hypothekendarlehenprogramm und Lokale Pfandbriefprogramme.

"**Lokales Pfandbriefprogramm**" bezeichnet das inaktive CZK 50.000.000.000 Programm für Inlandspfandbriefe zur Begebung von: (i) Hypothekendarlehen nach Tschechischem Recht, welche die Anforderungen der §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes und die Frühere CNB-Verordnung erfüllen (und damit unter die Definition der Tschechischen Hypothekendarlehen fallen); und (ii) sonstige nach Tschechischem Recht begebene Pfandbriefe gemäß Tschechischem Schuldverschreibungsgesetz.

"**LTV-Quote**" bezeichnet das prozentuale Verhältnis des Nennwerts der Forderungen der Emittentin aus einem Hypothekendarlehen geteilt durch den Wert der Beliehenen Immobilie der maßgeblichen Beliehenen Immobilie, die dieses Hypothekendarlehen besichert.

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

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

"**Beliehene Immobilie**" bezeichnet in Bezug auf ein beliebiges Hypothekendarlehen die zur Besicherung des Hypothekendarlehens verpfändete Immobilie, in Bezug auf die alle maßgeblichen geltenden Gesetze erfüllt sind.

"**Wert der Beliehenen Immobilie**" bezeichnet den Gesamtwert der Beliehenen Immobilie, der von der Emittentin im Einklang mit den anzuwendenden Gesetzen (einschließlich dem Tschechisches Vermögensbewertungsgesetz) und mit den internen Regelungen der Emittentin für die Bewertung Beliehener Immobilien bestimmt wurde.

"**Nennwert**" bezeichnet die Summe der ausstehenden Hauptforderungen in Bezug auf die Tschechischen Hypothekendarlehen (derselben Deckungsmasse), Hypothekendarlehen oder andere Schulden oder Sicherheiten.

"**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 € 5.000.000.000 Programm der Emittentin für die Begebung von Hypothekendarlehen.

"**PSB-Forderungen und -Risikopositionen**" bezeichnet die CRR PSB-Forderungen und die PSB-Forderungen gemäß SchVG-cz.

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

**"Eingetragener Nennwert"** bezeichnet den Teil des Nennwerts eines Hypothekendarlehens, der im Deckungsregister gemäß Artikel 3 Abs. 2 (g) der CNB-Verordnung zu Zwecken der Übereinstimmung mit Artikel 28a des Tschechischen Schuldverschreibungsgesetzes eingetragen ist.

**"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.

**"Staatliche Subvention"** bezeichnet jede Subvention oder ähnliche Leistung im Sinne der Verordnung Nr. 249/2002 Slg. der tschechischen Regierung über Bedingungen der Gewährung von Subventionen in Bezug auf Hypothekendarlehen für Personen unter 36 Jahren, in der jeweils gültigen Fassung, und Verordnung Nr. 244/1995 Slg. der tschechischen Regierung über Bedingungen der Gewährung von finanziellen Subventionen in Bezug auf Hypothekendarlehen für Wohnbauentwicklung, in der jeweils gültigen Fassung, oder jede Subvention oder Leistung ähnlicher Art, die nach dem Datum des Basisprospekts eingeführt werden können; zur Klarstellung: die Definition der Staatlichen Subvention umfasst keine Steuervergünstigungen.

**"Gesetzliche Tests"** bezeichnet alle vom Tschechischen Schuldverschreibungsgesetz für die Emittentin vorgeschriebenen Tests (einschließlich der in § 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 § 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 Hypothekendarlehenpfandbriefbedingungen;
  - (b) die relevante Fassung der Endgültigen Bedingungen;
  - (c) das Dealer Agreement; und
  - (d) den Ausgabe- und Zahlstellenvertrag.
- (4) Soweit sich aus dem Kontext nichts Gegenteiliges ergibt, gilt, dass eine Bezugnahme in diesen Hypothekendarlehenpfandbriefbedingungen:
- (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.
- (5) Zur Klarstellung: Die Emittentin ist berechtigt, in Zukunft zusätzliche Deckungsmassen bezüglich der Tschechischen Hypothekendarlehen zu bilden. Ist dies der Fall, so bleiben die zum jeweiligen Zeitpunkt ausstehenden Hypothekendarlehen von der Deckungsmasse gedeckt, die zum Ausgabetermin 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 Ausgabetermin 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 % aller Schulden beträgt (der "**Vertragliche Deckungstest**"). In Bezug auf den Vertraglichen Deckungstest wird, unter Vorbehalt des anwendbaren Rechts, jeder Betrag (i) sofern er auf eine andere Währung als die Tschechische Krone lautet, im entsprechenden Gegenwert der Tschechischen Kronen, der unter Anwendung des Maßgeblichen Wechselkurses für solche Beträge am maßgeblichen Datum ermittelt wird; und (ii) sofern der Betrag auf Tschechische Kronen lautet, im entsprechenden Betrag in Tschechischen Kronen berechnet.
- (3) Die Emittentin wird jeweils am Sonderaufsichtsberechnungstag und jedem Ausgabetermin 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 Hypothekendarlehen begeben, die aus der Deckungsmasse Nutzen ziehen.
- (4) Die Emittentin verpflichtet sich, der Ratingagentur (bzw. einer anderen Ratingagentur, die eine Bewertung für die Hypothekendarlehen 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 in Bezug auf in der Deckungsmasse enthaltene Deckungsaktiva erfüllt (zusammen die "**Vertraglichen Auswahlkriterien**"):
- (a) die Hypothekendarlehen unterliegen tschechischem Recht;
  - (b) die Hypothekendarlehen sind vollständig ausgezahlt, und der betreffende Darlehensnehmer hat kein Recht oder keinen Anspruch auf einen zusätzlichen Vorschuss der Emittentin;
  - (c) die Hypothekendarlehen sahen zum Zeitpunkt der Auszahlung keine Staatliche Subvention in Bezug auf den Nennbetrag oder Zinsen vor;
  - (d) die Beliehene Immobilie ist eine Immobilie, die vollständig errichtet wurde, wie ein Auszug aus dem tschechischen Immobilienregister belegt;
  - (e) die Beliehene Immobilie befindet sich in der Tschechischen Republik;
  - (f) die Hypothekendarlehen sind keine Notleidenden Darlehen;



- (g) bei den Hypothekendarlehen ist die maximale Höhe der besicherten Forderungen der Emittentin mindestens gleich dem Eingetragenen Nennwert dieses Hypothekendarlehens;
- (h) die LTV-Quote des CRR-Wohnhypothekendarlehens beträgt nicht mehr als 80 % und wenn diese Schwelle überschritten wird, wird der Teil des Nennwerts dieses CRR-Wohnhypothekendarlehens, der die LTV-Quote von 80 % überschreitet, zu Zwecken des Gesetzlichen Tests und des Vertraglichen Deckungstests nicht berücksichtigt;
- (i) die LTV-Quote des CRR-Wohnhypothekendarlehens beträgt nicht mehr als 60 % und wenn diese Schwelle überschritten wird, wird der Teil des Nennwerts dieses CRR-Wohnhypothekendarlehens, der die LTV-Quote von 60 % überschreitet, zu Zwecken des Gesetzlichen Tests und des Vertraglichen Deckungstests nicht berücksichtigt;
- (j) der Darlehensnehmer unter dem Hypothekendarlehen hat mindestens eine Ratenzahlung geleistet;
- (k) sämtliche vom jeweiligen Darlehensnehmer zahlbaren Hypothekendarlehen lauten auf Tschechische Kronen (oder eine andere Währung, die die Tschechische Krone als offizielle gesetzliche Währung in der Tschechischen Republik ab dem Zeitpunkt einer solchen Ersetzung ersetzen kann);
- (l) der Nennwert der Hypothekendarlehen, die den Mitarbeitern der Emittentin gewährt werden, beträgt nicht mehr als 5 % des Nennwerts der Hypothekendarlehen, die in der Deckungsmasse enthalten ist; und
- (m) die Deckungsmasse enthält keine Asset-Backed Securities.

In Bezug auf die Vertraglichen Auswahlkriterien wird, unter Vorbehalt des anwendbaren Rechts, jeder Betrag (i) sofern er auf eine andere Währung als die Tschechische Krone lautet, im entsprechenden Gegenwert der Tschechischen Kronen, der unter Anwendung des Maßgeblichen Wechselkurses für solche Beträge am maßgeblichen Datum ermittelt wird; und (ii) sofern der Betrag auf Tschechische Kronen lautet, im entsprechenden Betrag in Tschechischen Kronen berechnet.

- (6) Die Emittentin verpflichtet sich außerdem für den gesamten Zeitraum, zu dem irgendwelche der Hypothekenpfandbriefe ausstehen:
  - (a) die Hypothekenpfandbriefgläubiger (im Einklang mit § 11) und die Hauptzahlstelle unverzüglich vom Eintreten jeglichen Kündigungsgrundes in Kenntnis zu setzen;
  - (b) 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;
  - (c) 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 Hypothekenpfandbriefe einzuhalten, was uneingeschränkt ihre Verpflichtungen betreffend die Führung des Deckungsregisters und sämtliche weiteren Dauerpflichten der Emittentin betreffend die Tschechischen Hypothekenpfandbriefe und die Deckungsmasse einschließt;
  - (d) 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;

- (e) 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 Hypothekendarfbriefbedingungen) und dem Datum der Abgabe der aktuellen Bescheinigung ist die Emittentin ihren wesentlichen Verpflichtungen gemäß diesen Hypothekendarfbriefbedingungen, 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);
- (f) jeden Hypothekendarfbriefgläubiger auf dessen schriftlichen Wunsch hin mit sämtlichen Berichten zu versorgen, die vom Sonderaufseher gemäß dem Sonderaufsichtsvertrag erstellt wurden;
- (g) 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 Hypothekendarfbriefgläubiger nicht wesentlich entgegenstehen.

## § 9 (Kündigungsgründe)

- (1) Jeder Hypothekendarfbriefgläubiger ist berechtigt, seine Hypothekendarfbriefe sofort fällig zu stellen und deren unverzügliche Rückzahlung zum Rückzahlungsbetrag zu verlangen, falls eines oder mehrere der folgenden Ereignisse (jeweils ein "**Kündigungsgrund**") eintreten und andauern:
  - (a) Nichterfüllung irgendwelcher Zahlungsverpflichtungen der Emittentin gemäß bzw. im Zusammenhang mit den Hypothekendarfbriefen für einen Zeitraum von mehr als 10 (zehn) Bankarbeitstagen ab dem Tag der Fälligkeit dieser Zahlungsverpflichtungen; oder
  - (b) Die Emittentin erfüllt die Gesetzlichen Tests für einen Zeitraum von mehr als drei Monaten nicht.

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

- (2) Die Mitteilung der Fälligestellung von Hypothekendarfbriefen gemäß vorstehendem Abs. 1 soll in Textform seitens des Hypothekendarfbriefgläubigers an die Hauptzahlstelle erfolgen, die persönlich oder per Einschreiben zuzustellen ist und einen hinreichend stichhaltigen Nachweis enthalten muss, dass der Hypothekendarfbriefgläubiger zum Zeitpunkt der Mitteilung Inhaber der relevanten Hypothekendarfbriefe ist. Die Hypothekendarfbriefe 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

### (Zusätzliche Pflichten der Emittentin zum Vorteil der Hypothekendarfandbriefgläubiger)

Falls eines oder mehrere der folgenden Ereignisse (jeweils ein "Emissions-Einstellungs-Ereignis") eintritt bzw. eintreten und andauert bzw. andauern:

- (a) Die Emittentin versäumt es, irgendwelche weiteren Wesentlichen Verpflichtungen einzuhalten oder zu erfüllen, und dieser Verzug besteht unbeboren für 45 (fünfundvierzig) Kalendertage ab dem Tag fort, an dem der Emittentin eine Mitteilung seitens des Hypothekendarfandbriefgläubigers zugestellt wurde, in der sie aufgefodert wird, Abhilfe zu schaffen (mit Ausnahme derjenigen Fälle, in denen der Verzug wegen seiner Wesensart nicht beboben werden kann, und in denen deshalb weder Fortbestand noch Aufforderung zur Abhilfe erforderlich sind, um den Kündigungsgrund zu begründen); unter "Wesentlichen Verpflichtungen" sind jegliche wesentliche Verpflichtungen der Emittentin gemäß den Hypothekendarfandbriefbedingungen und gemäß Sonderaufsichtsvertrag zu verstehen;
- (b) ein Verstoß gegen den Vertraglichen Deckungstet in Bezug auf die Deckungsmasse;
- (c) die Emittentin (i) ist nicht mehr als Bank zugelassen; (ii) ist nicht mehr befugt, Hypothekendarfandbriefe (*hypoteční zástavní listy*) auszugeben; oder (iii) hat ihre Geschäftstätigkeit oder ihre Tätigkeit als Bank im Wesentlichen vollständig eingestellt oder eine Einstellung steht möglicherweise bevor; oder
- (d) (i) die Emittentin (1) ist überschuldet (*předlužen*), (2) ist nicht in der Lage, ihre Schulden bei Fälligkeit zu begleichen (*platebně neschopný*) oder (3) befindet sich in einer Situation drohender Zahlungsunfähigkeit (*hrozící úpadek*) gemäß der Tschechischen Insolvenzordnung; (ii) es wird eine gesellschaftsrechtliche Maßnahme, ein Gerichtsverfahren oder ein anderes Verfahren oder eine andere Maßnahme in Bezug auf (1) die Aussetzung von Zahlungen oder ein Moratorium für jegliche Verschuldung der Emittentin unternommen; (2) Konkurs (*úpadek*) oder Entlastung (*oddlužení*) der Emittentin; oder (3) eine Reorganisation (*reorganizace*) oder einen ähnlichen Vergleich mit einem Gläubiger der Emittentin gemäß Tschechischen Insolvenzordnung, es sei denn, der Antrag auf Einleitung eines solchen Verfahrens wird in gutem Glauben angefochten und innerhalb von 30 Kalendertagen nach dieser Einleitung erledigt, ausgesetzt oder abgewiesen; (iii) ein Verwalter, Konkursverwalter, Zwangsverwalter, Liquidator oder ein ähnliches Organ der Emittentin oder im wesentlichen das gesamte Unternehmen, Vermögen und Einkommen der Emittentin wird bestellt; oder (iv) die Emittentin ergreift eine Maßnahme zur Neuregelung oder Stundung im Wesentlichen aller ihrer Verpflichtungen oder nimmt eine allgemeine Abtretung oder einen Vergleich mit ihren Gläubigern oder zu ihren Gunsten im allgemeinen vor oder erklärt ein Moratorium in Bezug auf ihre gesamte Verschuldung oder Garantien im Allgemeinen für eine von ihr gegebene Verschuldung,

und sofern Hypothekendarfandbriefe dann ausstehend sind, darf die Emittentin keine Tschechischen Hypothekendarfandbriefe geben, die aus der Deckungsmasse Nutzen ziehen.

## § 11

### (Mitteilungen)

[Im Fall von börsennotierten Hypothekendarfandbriefen 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 Hypothekendarfandbriefe 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 Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefen einfügen:

Die Emittentin übermittelt alle Mitteilungen in Bezug auf die Hypothekendarlehenbriefe dem Clearingsystem zur Weiterleitung durch das Clearingsystem an die Hypothekendarlehenbriefgläubiger. 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 Hypothekendarlehenbriefgläubiger bewirkt.]

[Im Fall von börsennotierten Hypothekendarlehenbriefen einfügen:

Anstelle der in Absatz (1) erwähnten Veröffentlichung in einem Börsenpflichtblatt darf die Emittentin die jeweilige Mitteilung an das Clearingsystem zur Weiterleitung an die Hypothekendarlehenbriefgläubiger übermitteln, sofern das Regelwerk der Börse, an der die Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefgläubiger 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.]]

## § 12 (Rückerwerb)

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

**§ 13**  
**(Vorlegungsfrist)**

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

**§ 14**  
**(Teilunwirksamkeit)**

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

**§ 15**  
**(Anwendbares Recht, Gerichtsstand[, Sprache])**

- (1) Form und Inhalt der Hypothekendarfandbriefe sowie die Rechte und Pflichten der Emittentin und der Hypothekendarfandbriefgläubiger unterliegen dem Recht der Bundesrepublik Deutschland.
- (2) Obschon die Hypothekendarfandbriefe 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 Hypothekendarfandbriefe anwendbar oder anderweitig für diese von Relevanz sind. Deshalb müssen die Hypothekendarfandbriefe 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 Hypothekendarfandbriefe und die Deckungsmasse.
- (3) Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den in diesen Hypothekendarfandbriefbedingungen geregelten Angelegenheiten ist, soweit gesetzlich zulässig, Frankfurt am Main.

*[Nur einfügen, falls die Anleihebedingungen nicht ausschließlich in deutscher Sprache abgefasst sind:]*

- (4) *[Falls nicht-bindende englische Übersetzung beigefügt wird, einfügen: Diese Hypothekendarfandbriefbedingungen 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 nicht-bindende deutsche Übersetzung beigefügt wird, einfügen: Diese Hypothekendarfandbriefbedingungen 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.]]*

**§ 16**  
**(Änderungen der Hypothekendarfandbriefbedingungen)**

- (1) §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen ("SchVG") finden auf die Hypothekendarfandbriefe Anwendung. Von daher ist die Emittentin berechtigt, diese Hypothekendarfandbriefbedingungen mit der im Wege eines Mehrheitsbeschlusses erteilten Einwilligung der Hypothekendarfandbriefgläubiger zu ändern.
- (2) Die Hypothekendarfandbriefgläubiger 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 Hypothekendarfandbriefen ergebenden Forderungen in einem gegen die Emittentin geführten Insolvenzverfahren;
- (e) die Umwandlung bzw. der Austausch der Hypothekendarfandbriefe gegen Aktien oder andere Wertpapiere oder Obligationen;
- (f) Wechsel bzw. Freigabe von Sicherheiten;
- (g) Änderung der Währung der Hypothekendarfandbriefe;
- (h) Verzicht auf bzw. Einschränkung der Kündigungsrechte, die sich für die Hypothekendarfandbriefgläubiger aus den Hypothekendarfandbriefen ergeben;
- (i) Änderung oder Aufhebung von Nebenbestimmungen der Hypothekendarfandbriefe; und
- (j) Bestellung oder Abberufung eines gemeinsamen Vertreters für die Hypothekendarfandbriefgläubiger.

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

- (3) Gemäß § 18 SchVG verabschieden die Hypothekendarfandbriefgläubiger ihre Beschlüsse im Wege einer Abstimmung [ohne persönliche Zusammenkunft] [im Rahmen einer persönlichen Zusammenkunft].

Die Versammlung der Hypothekendarfandbriefgläubiger 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 Hypothekendarfandbriefgläubiger einberufen werden muss, falls Hypothekendarfandbriefgläubiger, die zusammen Hypothekendarfandbriefe in einem Wert von 5 % des ausstehenden Kapitalbetrags der Hypothekendarfandbriefe schriftlich hierum nachsuchen, unter Benennung einer der in § 9 Abs. 1 erster Satz SchVG aufgeführten Gründe.

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

Für die Verabschiedung von Beschlüssen in den Fällen gemäß § 16 Abs. 2 (a) bis (i) bedarf es einer Mehrheit von mindestens 75 % der Stimmen der stimmberechtigten Hypothekendarfandbriefgläubiger.

- (5) Die an der Abstimmung teilnehmenden Hypothekendarfandbriefgläubiger geben ihre Stimmen gemäß der Höhe des Kapitalbetrags bzw. ihres rechnerischen Anteils an den ausstehenden Hypothekendarfandbriefen ab. Solange die Berechtigung aus den Hypothekendarfandbriefen 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 Hypothekendarfandbriefe. Die Emittentin ist nicht berechtigt, die mit solchen ruhenden Stimmrechten verbundenen Hypothekendarfandbriefe 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 Hypothekendarfandbriefgläubiger verbindlich. Beschlüsse, die nicht für identische Bedingungen für alle Hypothekendarfandbriefgläubiger sorgen, sind nichtig, es sei denn, die benachteiligten Hypothekendarfandbriefgläubiger haben dieser nachteiligen Behandlung ausdrücklich zugestimmt.
- (7) Hypothekendarfandbriefgläubiger 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 Hypothekendarlehners bezeichnen;
- (b) den Gesamtkapitalbetrag der Hypothekendarlehen 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 Hypothekendarlehner ein Wertpapierkonto betreffend die Hypothekendarlehen unterhält, einschließlich des Clearingsystems.

- (8) Die Hypothekendarlehner können im Wege eines Mehrheitsbeschlusses einen gemeinsamen Vertreter (den "**Gemeinsamen Vertreter**") bestellen, der dann die Rechte der Hypothekendarlehner namens jedes einzelnen Hypothekendarlehners 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) Finanzdarlehner der Emittentin oder irgendeiner ihrer verbundenen Unternehmen ist, mit einer Forderung, deren Betrag mindestens 20 % der ausstehenden Hypothekendarlehen entspricht, oder bei einem solchen Finanzdarlehner 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 Hypothekendarlehnern 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 Hypothekendarlehnern unverzüglich in angemessener Form hiervon unterrichten.

- (9) Dem Gemeinsamen Vertreter kommen die Pflichten und Kompetenzen zu, die ihm das Gesetz oder die Hypothekendarlehnern per Mehrheitsbeschluss einräumen. Der Gemeinsame Vertreter hat sich nach den Weisungen der Hypothekendarlehnern zu richten. Insoweit als der Gemeinsame Vertreter bevollmächtigt wurde, bestimmte Rechte der Hypothekendarlehnern geltend zu machen, sind die Hypothekendarlehnern nicht berechtigt, diese Rechte selbst in Anspruch zu nehmen, es sei denn, der betreffende Mehrheitsbeschluss sieht dies ausdrücklich vor. Der Gemeinsame Vertreter hat den Hypothekendarlehnern Bericht über seine Tätigkeiten zu erstatten.
- (10) Der Gemeinsame Vertreter haftet den Hypothekendarlehnern gegenüber in deren Eigenschaft als Gesamtdarlehner für die Erfüllung seiner Pflichten, die er mit der Sorgfalt eines ordentlichen Geschäftsleiters auszuüben hat. *[Falls der Beschluss der Hypothekendarlehnern eine Beschränkung der Haftung des Gemeinsamen Vertreters vorsieht, einfügen: Die Haftung des Gemeinsamen Vertreters kann im Wege eines von den Hypothekendarlehnern 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

Hypothekendarfandbriefgläubiger entscheiden über die Geltendmachung von Schadensersatzansprüchen seitens der Hypothekendarfandbriefgläubiger gegenüber dem Gemeinsamen Vertreter.

- (11) Der Gemeinsame Vertreter kann von den Hypothekendarfandbriefgläubigern 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 HYPOTHEKENPFANDBRIEFE

### § 1

#### (Serie, Form der Hypothekendarfandbriefe, Ausgabe weiterer Hypothekendarfandbriefe)

- (1) Diese Tranche der Serie (die "**Serie**") von Hypothekendarfandbriefen (*hypoteční zástavní listy*; im Weiteren nur "**Hypothekendarfandbriefe**") der Raiffeisenbank a.s. (die "**Emittentin**") wird am [Ausgabetag einfügen] (der "**Ausgabetag**") in Form von Inhaberahypothekendarfandbriefen auf der Grundlage dieser Hypothekendarfandbriefebedingungen (die "**Hypothekendarfandbriefebedingungen**") in [Festgelegte Währung einfügen] (die "**Festgelegte Währung**") im Gesamtnennbetrag von [Gesamtnennbetrag einfügen] (der "**Gesamtnennbetrag**") in einer Stükelung von [Festgelegte Stükelung einfügen] (die "**Festgelegte Stükelung**") begeben.

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

- (2) Die Hypothekendarfandbriefe 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 Hypothekendarfandbriefe keine U.S.-Person(en) ist bzw. sind (ausgenommen bestimmte Finanzinstitute oder Personen, die Hypothekendarfandbriefe 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 Hypothekendarfandbriefe (die "**Hypothekendarfandbriefgläubiger**") haben keinen Anspruch auf Ausgabe von Hypothekendarfandbriefen in effektiver Form. Die Hypothekendarfandbriefe 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:

- (2) Die Hypothekendarfandbriefe 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 Hypothekendarfandbriefe (die "**Hypothekendarfandbriefgläubiger**") haben keinen Anspruch auf Ausgabe von Hypothekendarfandbriefen in effektiver Form. Die Hypothekendarfandbriefe sind als Miteigentumsanteile an der Globalurkunde nach den einschlägigen Bestimmungen des Clearingsystems übertragbar. Die Zinsansprüche sind durch die Globalurkunde verbrieft.]
- (3) Jede Globalurkunde wird von einem oder im Namen eines Clearingsystems verwahrt. "**Clearingsystem**" sind Clearstream Banking S.A., 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**")] .

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

- (4) Die Hypothekendarfbriefe 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:*

- (4) Die Hypothekendarfbriefe 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 Hypothekendarfbriefe 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 Hypothekendarfbriefen führt) sind schlüssiger Nachweis über den Nennbetrag der durch die Globalurkunde verbrieften Hypothekendarfbriefe und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bestätigung mit dem Nennbetrag der so verbrieften Hypothekendarfbriefe 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 Hypothekendarfbriefe 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 Hypothekendarfbriefe der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Hypothekendarfbriefe abgezogen. *[Falls die Hypothekendarfbriefe 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 Hypothekendarfbriefgläubiger weitere Hypothekendarfbriefe mit gleicher Ausstattung in der Weise begeben, dass sie mit den Hypothekendarfbriefen zusammengefasst werden, mit ihnen eine einheitliche Serie bilden und den Gesamtnennbetrag der Hypothekendarfbriefe erhöhen. Der Begriff "Hypothekendarfbriefe" umfasst im Fall einer solchen Erhöhung auch solche zusätzlich begebenen Hypothekendarfbriefe.

## § 2 (**Verzinsung**)

- (1) Die Hypothekendarfbriefe 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 Konvention für Bankarbeitstage *[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 Hypothekendarlehen einfügen:]*

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

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

und für den Zeitraum, in dem die Hypothekendarlehen 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 Hypothekendarlehenbedingungen 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 Hypothekendarlehen einfügen:]*

*Bei festen Zinszahltagen einfügen:*

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

jeder [*fest(e) 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] [*fest(e) Zinszahltag(e) einfügen*] [eines jeden Jahres] [sowie der Fälligkeitstag].]

*[Im Fall von festen Zinsperioden einfügen:]*

jeder Tag, der (sofern nicht in diesen Hypothekendarlehenbedingungen 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 Hypothekendarlehen 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 [[Bruchteilzinsbetrag einfügen] je festgelegte Stückelung beläuft] [[Bruchteilzinsbetrag 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 Hypothekendarlehen 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 Hypothekendarlehen außer Constant Maturity Swap ("**CMS**") variabel verzinslichen Hypothekendarlehen einfügen:]

der [[Zahl einfügen]-Monats [Euribor] [[US-Dollar] [andere Währung einfügen] Libor][Zahl einfügen]-Monats [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 Libor als Referenzsatz einfügen: Londoner] [Im Fall des Pribor als Referenzsatz einfügen: Prager] Zeit am entsprechenden Zinsfeststellungstag angezeigt wird] [Im Fall von SONIA<sup>®</sup> als Referenzsatz einfügen: der "Sterling Overnight Index Average" ("**SONIA**<sup>®</sup>") 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**<sup>®</sup>" bezeichnet den nach der Zinseszinsformel zu berechnenden Renditesatz einer Anlage (mit dem täglichen SONIA<sup>®</sup> als Referenzsatz zur Zinsberechnung) und wird von der [Berechnungsstelle] [●] am Zinsfeststellungstag gemäß der folgenden Formel berechnet:

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

- "d" bezeichnet die Anzahl der Kalendertage in der jeweiligen Zinsperiode;
- "d<sub>0</sub>" bezeichnet die Anzahl der Londoner Bankarbeitstage in der jeweiligen Zinsperiode;
- "i" bezeichnet eine Reihe von ganzen Zahlen von eins bis d<sub>0</sub>, 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<sub>i</sub>" bezeichnet an jedem Tag "i" die Anzahl der Kalendertage von dem Tag "i" (einschließlich) bis zu dem folgenden Londoner Bankarbeitstag (ausschließlich);
- "SONIA<sup>®</sup><sub>i-pLBD</sub>" bezeichnet für jeden Londoner Bankarbeitstag in dem jeweiligen Beobachtungszeitraum den SONIA<sup>®</sup> 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 Hypothekendarlehen fällig und zahlbar werden).]

[Im Fall von SOFR<sup>®</sup> als Referenzsatz einfügen: die "US-Dollar Overnight Financing Rate" ("SOFR<sup>®</sup>") 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<sup>®</sup>" bezeichnet den nach der Zinseszinsformel zu berechnenden Renditesatz einer Anlage (mit der täglichen SOFR<sup>®</sup> als Referenzsatz zur Zinsberechnung) und wird von der [Berechnungsstelle] [●] am Zinsfeststellungstag gemäß der folgenden Formel berechnet:

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

"d"	bezeichnet die Anzahl der Kalendertage in der jeweiligen Zinsperiode;
"d <sub>0</sub> "	bezeichnet die Anzahl der US Staatsanleihen Bankarbeitstage in der jeweiligen Zinsperiode;
"i"	bezeichnet eine Reihe von ganzen Zahlen von eins bis d <sub>0</sub> , die in chronologischer Folge jeweils einen US Staatsanleihen Bankarbeitstag vom, und einschließlich des, ersten US Staatsanleihen Bankarbeitstages der jeweiligen Zinsperiode wiedergeben;
"p"	bezeichnet [ <i>relevante Definition einfügen</i> ];
"n <sub>i</sub> "	bezeichnet an jedem Tag "i" die Anzahl der Kalendertage von dem Tag "i" (einschließlich) bis zu dem folgenden US Staatsanleihen Bankarbeitstag (ausschließlich);
"SOFR <sup>®</sup> <sub>i-pUSBD</sub> "	bezeichnet für jeden US Staatsanleihen Bankarbeitstag in dem jeweiligen Beobachtungszeitraum den SOFR <sup>®</sup> 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 Hypothekenpfandbriefe fällig und zahlbar werden).]

[*Im Fall €STR<sup>®</sup> als Referenzsatz einfügen:* die "Euro short-term rate" ("€STR<sup>®</sup>") 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<sup>®</sup>**" bezeichnet den nach der Zinseszinsformel zu berechnenden Renditesatz einer Anlage (mit der täglichen €STR<sup>®</sup> als Referenzsatz zur Zinsberechnung) und wird von der [Berechnungsstelle] [●] am Zinsfeststellungstag gemäß der folgenden Formel berechnet:

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

"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 [ <i>relevante Definition einfügen</i> ].
"ni"	bezeichnet an jedem Tag "i" die Anzahl der Kalendertage von dem Tag "i" (einschließlich) bis zu dem folgenden TARGET2-Bankarbeitstag (ausschließlich);
"€STR <sup>®</sup> <sub>i-pTBD</sub> "	bezeichnet für jeden TARGET2-Bankarbeitstag in dem jeweiligen Beobachtungszeitraum den €STR <sup>®</sup> 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 Hypothekenpfandbriefe fällig und zahlbar werden).

[Falls erforderlich wird der ermittelte Prozentsatz auf- oder abgerundet auf die fünfte Dezimalstelle, wobei 0,00005 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-] [[US-Dollar] [*andere Währung einfügen*]-Libor-] [*Zahl einfügen*]-Monats [Pribor] Angebotssatz und des [*Zahl einfügen*]-Monats-[Euribor-] [[US-Dollar] [*andere Währung einfügen*]-Libor-] [*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 Libor als Referenzsatz einfügen*: Londoner] [*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-] [[US-Dollar] [andere Währung einfügen]-Libor-] [Zahl einfügen]-Monats [Pribor] Angebotssatz und des [Zahl einfügen]-Monats-[Euribor-] [[US-Dollar] [andere Währung einfügen]-Libor-] [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 Libor als Referenzsatz einfügen: Londoner] [Im Fall des Pribor als Referenzsatz einfügen: Prager] Zeit am entsprechenden Zinsfeststellungstag angezeigt wird.)]

*[Im Fall des Euribor oder des Libor 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 [Im Fall des Libor als Referenzsatz einfügen: die Londoner Hauptniederlassung] 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 Libor als Referenzsatz einfügen: Londoner Interbanken-Markt] [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 Libor als Referenzsatz einfügen: Londoner] [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 Libor als Referenzsatz einfügen: einhunderttausendstel Prozentpunkt, wobei 0,000005] [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 Libor als Referenzsatz einfügen: dem Finanzzentrum der Festgelegten Währung] [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 Libor als Referenzsatz einfügen: der Zeit des Finanzzentrums der Festgelegten Währung] [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 Hypothekendarlehen 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 Ausgangzinssatz sein, der für solche Hypothekendarlehen für die erste Zinsperiode anwendbar gewesen wäre, wären die Hypothekendarlehen 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<sup>®</sup> 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<sup>®</sup> Index Einstellungsereignis empfohlen wurde, der Zinssatz für jeden Zinsfeststellungstag an oder nach dem SOFR<sup>®</sup> Index Einstellungsstichtag bestimmt wird als ob (i) Bezugnahmen auf SOFR<sup>®</sup> Bezugnahmen auf OBFR wären, (ii) Bezugnahmen auf US Staatsanleihen Bankarbeitstage Bezugnahmen auf New York Bankarbeitstage wären, (iii) Bezugnahmen auf SOFR<sup>®</sup> Index Einstellungsereignisse Bezugnahmen auf OBFR Index Einstellungsereignisse wären und (iv) Bezugnahmen auf SOFR<sup>®</sup> Index Einstellungsstichtage Bezugnahmen auf OBFR Index Einstellungsstichtage wären und weiterhin vorausgesetzt, dass wenn kein solcher Zinssatz innerhalb eines US Staatsanleihen Bankarbeitstags nach dem SOFR<sup>®</sup> Index Einstellungsereignis empfohlen wurde und ein OBFR Index Einstellungsereignis vorliegt, der Zinssatz für jeden Zinsfeststellungstag an oder nach dem SOFR<sup>®</sup> Index Einstellungsstichtag bestimmt wird als ob (x) Bezugnahmen auf den SOFR<sup>®</sup> 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<sup>®</sup> als Referenzsatz einfügen:*

€STR<sup>®</sup>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<sup>®</sup> oder (ii) zu einem Satz, der €STR<sup>®</sup>i ersetzen soll, veröffentlicht, in einem Umfang, der vernünftigerweise praktikabel ist, solchen Leitlinien zur Bestimmung von €STR<sup>®</sup>i anschließen, so lange wie €STR<sup>®</sup>i für die Zwecke der Hypothekendarlehenpfandbriefe 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 Hypothekendarlehenpfandbriefe für die erste Zinsperiode anwendbar gewesen wäre, wären die Hypothekendarlehenpfandbriefe 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<sup>®</sup> ist, einfügen: TARGET2]* *[Falls der Referenzsatz der Libor oder der SONIA<sup>®</sup> ist, einfügen: Londoner]* *[Falls der Referenzsatz der SOFR<sup>®</sup> ist, einfügen: US Staatsanleihen]* *[anderes Finanzzentrum einfügen]* Bankarbeitstag *[vor]* *[Beginn]* *[Ende]* der jeweiligen Zinsperiode.

*[Falls der Referenzsatz der Euribor oder der €STR<sup>®</sup> ist, einfügen: "TARGET2-Bankarbeitstag"* bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem TARGET2 betriebsbereit ist.]

*[Falls der Referenzsatz der Libor oder der SONIA<sup>®</sup> ist, einfügen: "[Londoner]* *[Falls der Referenzsatz der SOFR<sup>®</sup> ist, einfügen: US Staatsanleihen]* *[anderes Finanzzentrum einfügen]* **Bankarbeitstag"** bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem

Geschäftsbanken in [Falls der Referenzsatz der Libor oder der SONIA<sup>®</sup> ist, einfügen: London] [Falls der Referenzsatz der SOFR<sup>®</sup> 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] [Im Fall des Libor als Referenzsatz einfügen: Londoner Interbanken-Markt], 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.]

[Falls der Referenzsatz der Libor ist, einfügen: "Finanzzentrum der Festgelegten Währung" ist [maßgebliches Finanzzentrum einfügen].]

Wenn (i) die Emittentin oder die Berechnungsstelle den [Referenzsatz] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] nicht mehr verwenden darf, (ii) der Administrator des [Referenzsatzes] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] die Berechnung und Veröffentlichung des [Referenzsatzes] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] dauerhaft oder für eine unbestimmte Zeit einstellt, (iii) der Administrator des [Referenzsatzes] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] anderweitig eingestellt ist (jeweils ein "Einstellungseignis"), soll der [Referenzsatz] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] soll durch den [Referenzsatz] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] ersetzt werden, der durch den Administrator des [Referenzsatzes] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>], die zuständige Zentralbank oder eine Kontroll- oder Aufsichtsbehörde als Nachfolge- Referenzsatz für den [Referenzsatz] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] und für die Dauer des [Referenzsatzes] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] soll durch einen alternativen Referenzsatz ersetzt werden, der üblicherweise (in Übereinstimmung mit geltendem Recht) als Referenzsatz für Hypothekendarlehen 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<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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 Hypothekendarlehennehmer gemäß § 8.

Zusätzlich zu einer Ersetzung des [Referenzsatz] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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 Hypothekendarlehenbriefe vor Eintritt des Einstellungsereignisses vereinbar ist und das sich nicht zum wirtschaftlichen Nachteil der Inhaber auswirkt.

Wenn ein Einstellungsereignis eintritt und der [Referenzsatz] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] nicht wie oben beschrieben gemäß der Punkte (I) bis (IV) durch die Emittentin ersetzt werden kann, kann die Emittentin die Hypothekendarlehenbriefe ganz [oder teilweise] zurückzahlen. Die Hypothekendarlehenbriefe werden entsprechend der Vorschriften des § 4 zum Nennbetrag zurückgezahlt, zusammen mit etwaigen bis zum Rückzahlungstag aufgelaufenen Zinsen. Die Emittentin wird den Hypothekendarlehennehmern gemäß § 8 eine solche Kündigung mitteilen.

Sofern sich die Emittentin für die Rückzahlung der Hypothekendarlehenbriefe entscheidet, gilt als Zinssatz ab dem ersten Zinszahlungstag 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 Hypothekendarlehenbriefe

entscheidet, findet derselbe Zinssatz ab dem ersten Zinszahltag nach dem Einstellungsereignis Anwendung.]

[Im Fall von CMS variabel verzinslichen Hypothekendarlehen 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).

"**Zinsfestlegungstag**" 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: "**[Londoner] [anderes Finanzzentrum einfügen] Bankarbeitstag**" bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in [Falls der Referenzsatz der Libor ist, einfügen: London] [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).]

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 Hypothekendarlehen 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 Hypothekendarlehensnehmer 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 Hypothekendarlehen 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 Hypothekendarlehen ganz [oder teilweise] zurückzahlen. Die Hypothekendarlehen werden entsprechend der Vorschriften des § 4 zum Nennbetrag zurückgezahlt, zusammen mit etwaigen bis zum Rückzahlungstag aufgelaufenen Zinsen. Die Emittentin



wird den Hypothekendarlehenpfandbriefgläubigern gemäß § 8 eine solche Kündigung mitteilen.

Sofern sich die Emittentin für die Rückzahlung der Hypothekendarlehenpfandbriefe entscheidet, gilt als Zinssatz ab dem ersten Zinszahlungstag 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 Hypothekendarlehenpfandbriefe entscheidet, findet derselbe Zinssatz ab dem ersten Zinszahlungstag nach dem Einstellungsereignis Anwendung.]

*[Im Fall von ISDA Determination einfügen:*

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

*[Im Fall von fest zu variabel verzinslichen Hypothekendarlehenpfandbriefen 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 *[[Bruchteilzinsbetrag einfügen]* je festgelegte Stückelung beläuft] *[[Bruchteilzinsbetrag 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 Hypothekendarlehenpfandbriefen 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](http://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 Londoner Interbanken Angebotssatz ("Libor") oder 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 Libor oder 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 Hypothekendarlehen anzuwendenden Verlängerten Fälligkeitstags einfügen:*

[(4)][(5)] Kommt es im Einklang mit § 3 Abs. [3][4][5] zu einer Verlängerung der Fälligkeit der Hypothekendarlehen über den Fälligkeitstag hinaus, so werden die Hypothekendarlehen ab dem Fälligkeitstag (einschließlich) bis zum relevanten, auf den Fälligkeitstag folgenden Zinszahlungstag, an dem die Hypothekendarlehen 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 Hypothekendarlehen Zinsen zu einem Satz zu zahlen, der sich nach § 2 [(5)][(6)] bemisst; diese Zinsen laufen rückwirkend am Zinszahlungstag in jedem Monat nach dem Fälligkeitstag auf den ausstehenden Kapitalbetrag der Hypothekendarlehen auf, und zwar bezüglich der Zinsperiode, die unmittelbar vor dem relevanten Zinszahlungstag endet. Der letzte Zinszahlungstag fällt spätestens auf den Verlängerten Fälligkeitstag.

[(5)][(6)] Wird die Fälligkeit der Hypothekendarlehen 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 Hypothekendarlehen am jeweiligen Zinszahlungstag nach dem Fälligkeitstag für die Zinsperiode zu zahlen sind, die unmittelbar vor dem jeweiligen Zinszahlungstag endet, [Prozentsatz einfügen] und wird, falls anwendbar, von der Hauptzahlstelle zwei Bankarbeitstage nach dem Fälligkeitstag bezüglich der ersten solchen Zinsperiode bestimmt und danach [Zinszahlungstag(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 Hypothekendarlehen zum Fälligkeitstag (bzw. innerhalb von zwei Bankarbeitstagen nach dem Fälligkeitstag) (vollständig) zurückzuzahlen, woraufhin die Fälligkeit dieser Hypothekendarlehen 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 Zinszahlungstag der Emittentin, der Hauptzahlstelle und jeder Börse, an der die Hypothekendarlehen 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 Zinszahlungstag nachträglich angepasst (oder andere geeignete Anpassungsregelungen getroffen) werden. Jede solche Anpassung wird umgehend allen Börsen, an denen die Hypothekendarlehen zu diesem Zeitpunkt zugelassen sind oder gehandelt werden, sowie den Hypothekendarleheninhabern 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 einen Hypothekendarlehen entfallenden Zinsbetrags für jeglichen Zeitraum [Im Fall von fest zu variabel verzinslichen Hypothekendarlehen 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 einen Hypothekendarlehenvertrag für jeden Zeitraum *[Im Fall von fest zu variabel verzinslichen Hypothekendarlehenverträgen 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 einen Hypothekendarlehenvertrag für jeden Zeitraum *[Im Fall von fest zu variabel verzinslichen Hypothekendarlehenverträgen 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 einen Hypothekendarlehenvertrag für jeden Zeitraum *[Im Fall von fest zu variabel verzinslichen Hypothekendarlehenverträgen 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 einfügen:*

in Bezug auf die Berechnung eines Zinsbetrages auf einen Hypothekendarlehenvertrag für jeden Zeitraum *[Im Fall von fest zu variabel verzinslichen Hypothekendarlehenverträgen 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.]

*[Im Fall von 30/360 (ISDA) oder 360/360 oder Bond Basis einfügen:*

in Bezug auf die Berechnung eines Zinsbetrages auf einen Hypothekendarlehenvertrag für jeden Zeitraum *[Im Fall von fest zu variabel verzinslichen Hypothekendarlehenverträgen 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<sub>1</sub>**" ist das Jahr, ausgedrückt als Zahl, in das der erste Tag des Berechnungszeitraums fällt;

"**Y<sub>2</sub>**" ist das Jahr, ausgedrückt als Zahl, in das der der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

"**M<sub>1</sub>**" ist der Kalendermonat, ausgedrückt als Zahl, in den der erste Tag des Berechnungszeitraums fällt;

"**M<sub>2</sub>**" ist der Kalendermonat, ausgedrückt als Zahl, in den der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

"**D<sub>1</sub>**" ist der erste Kalendertag des Berechnungszeitraums, ausgedrückt als Zahl, es sei denn, diese Zahl wäre 31, in welchem Fall D<sub>1</sub> gleich 30 ist; und

"**D<sub>2</sub>**" ist der Kalendertag, ausgedrückt als Zahl, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt, es sei denn, diese Zahl wäre 31 und D<sub>1</sub> ist größer als 29, in welchem Fall D<sub>2</sub> gleich 30 ist.]]

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

in Bezug auf die Berechnung eines Zinsbetrages auf einen Hypothekendarlehenvertrag für jeden Zeitraum *[Im Fall von fest zu variabel verzinslichen Hypothekendarlehenverträgen 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<sub>1</sub>**" ist das Jahr, ausgedrückt als Zahl, in das der erste Tag des Berechnungszeitraums fällt;

"Y<sub>2</sub>" ist das Jahr, ausgedrückt als Zahl, in das der der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

"M<sub>1</sub>" ist der Kalendermonat, ausgedrückt als Zahl, in den der erste Tag des Berechnungszeitraums fällt;

"M<sub>2</sub>" ist der Kalendermonat, ausgedrückt als Zahl, in den der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

"D<sub>1</sub>" ist der erste Kalendertag des Berechnungszeitraums, ausgedrückt als Zahl, es sei denn, diese Zahl wäre 31, in welchem Fall D<sub>1</sub> gleich 30 ist; und

"D<sub>2</sub>" 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<sub>2</sub> gleich 30 ist.]]

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

in Bezug auf die Berechnung eines Zinsbetrages auf einen Hypothekendarlehenvertrag für jeden Zeitraum *[Im Fall von fest zu variabel verzinslichen Hypothekendarlehenverträgen 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<sub>1</sub>" ist das Jahr, ausgedrückt als Zahl, in das der erste Tag des Berechnungszeitraums fällt;

"Y<sub>2</sub>" ist das Jahr, ausgedrückt als Zahl, in das der der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

"M<sub>1</sub>" ist der Kalendermonat, ausgedrückt als Zahl, in den der erste Tag des Berechnungszeitraums fällt;

"M<sub>2</sub>" ist der Kalendermonat, ausgedrückt als Zahl, in den der Tag fällt, der auf den letzten Tag des Berechnungszeitraums unmittelbar folgt;

"D<sub>1</sub>" 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<sub>1</sub> gleich 30 ist; und

"D<sub>2</sub>" 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<sub>2</sub> 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 Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe können nach Wahl der Emittentin zu einem beliebigen Zinszahltag (insgesamt, jedoch nicht teilweise), nach vorheriger (unwiderruflicher) Mitteilung an die Hauptzahlstelle und gemäß § 11 an die Hypothekendarlehenbriefgläubiger 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 Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe dann fällig wäre.

Bevor die Emittentin die Rückzahlung gemäß diesem § 3 Abs. 2 ankündigt, wird sie der Hauptzahlstelle (zwecks Bereitstellung zur Einsichtnahme durch die Hypothekendarlehenbriefgläubiger 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 Hypothekendarlehenbriefgläubiger 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 zurückzahlende Hypothekendarlehenbriefe werden zum Rückzahlungsbetrag zurückbezahlt, zusammen (falls anwendbar) mit den bis zum Fälligkeitstag (ausschließlich) aufgelaufenen Zinsen.]

- [(2)][(3)] Die Hypothekendarlehenbriefe können nach Wahl der Emittentin zu jedem beliebigen Zinszahltag (insgesamt, jedoch nicht teilweise), nach vorheriger (unwiderruflicher) Mitteilung an die Hauptzahlstelle und gemäß § 11 an die Hypothekendarlehenbriefgläubiger 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 irgendeines Hypothekendarlehenbriefs gesetzwidrig geworden ist oder gesetzwidrig wird, weiterhin Hypothekendarlehenbriefe 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 Hypothekendarlehngeber 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 Hypothekendarlehen 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 Hypothekendarlehen 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 Hypothekendarlehen werden zum [betreffenden] Kündigungstermin zum Optionalen Rückzahlungsbetrag *[Falls aufgelaufene Zinsen separat gezahlt werden, einfügen: einschließlich aller Zinsen, die bis zum Kündigungstermin anfallen,]* gemäß den Vorschriften des § 4 zurückgezahlt.

Der Optionale Rückzahlungsbetrag (der "**Optionale Rückzahlungsbetrag**") [je Pfandbrief] [der Hypothekendarlehen] 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 Hypothekendarlehen anzuwendenden Verlängerten Fälligkeitsstags einfügen:]

- [(3)][(4)][(5)] Falls die Emittentin es versäumt, alle diese Hypothekendarlehen vollständig zum Fälligkeitsstag (oder innerhalb von zwei Bankarbeitstagen nach dem Fälligkeitsstag) zurückzuzahlen, wird die Fälligkeit der Hypothekendarlehen und wird das Datum, zu dem diese Hypothekendarlehen für die Zwecke dieser Hypothekendarlehenbedingungen zur Rückzahlung anstehen, automatisch bis zum Verlängerten Fälligkeitsstag (einschließlich) verlängert. In einem solchen Fall ist die Emittentin berechtigt, den ausstehenden Kapitalbetrag der Hypothekendarlehen zu einem Zinszahltag zurückzuzahlen, der in einen beliebigen Monat nach dem Fälligkeitsstag fällt, und zwar bis zum Verlängerten Fälligkeitsstag (einschließlich).
- [(4)][(5)][(6)] Die Emittentin hat den Hypothekendarleheninhabern (im Einklang mit § 11) und der Hauptzahlstelle mindestens fünf Bankarbeitstage vor dem Fälligkeitsstag oder dem jeweiligen Zinszahltag mitzuteilen, ob sie beabsichtigt, den ausstehenden Kapitalbetrag der Hypothekendarlehen 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 Hypothekendarlehen bis zum Verlängerten Fälligkeitsstag. 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 Fälligkeitsstag der Hypothekendarlehen) 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 Hypothekendarlehen nicht zum Fälligkeitsstag bzw. dem jeweiligen Zinszahltag zurückgezahlt werden.
- [(5)][(6)][(7)] Eine einmal erfolgte Verlängerung der Fälligkeit der Hypothekendarlehen gemäß § 3 Abs. [3][4][5] ist unwiderruflich. Soweit § 3 Abs. [3][4][5] anwendbar ist, stellt ein Versäumnis der Rückzahlung der Hypothekendarlehen am Fälligkeitsstag (es sei denn, die Emittentin hat im Einklang mit § 3 Abs. [3][4][5][6] die Rückzahlung der Hypothekendarlehen angezeigt) oder eine Verlängerung der Fälligkeit der Hypothekendarlehen bis zum Verlängerten Fälligkeitsstag gemäß § 3 Abs. [3][4][5] keinen Kündigungsgrund für welche Zwecke auch immer dar, und gibt keinem Hypothekendarleheninhaber das Recht, eine Zinszahlung, Kapital oder andere Zahlungen auf die betreffenden Hypothekendarlehen zu erhalten, es sei denn, solche Zahlungen sind ausdrücklich in diesen Hypothekendarlehenbedingungen vorgesehen.
- [(6)][(7)][(8)] Bei einer Verlängerung der Fälligkeit der Hypothekendarlehen gemäß § 3 Abs. [3][4][5] werden Zinssätze, Zinsperioden und Zinszahltag betreffend die Hypothekendarlehen ab dem Fälligkeitsstag (einschließlich) bis zum Verlängerten Fälligkeitsstag (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 Hypothekendarlehen an einem Zinszahltag, der in einen beliebigen Monat nach dem Fälligkeitsstag fällt, zurückzahlt, werden die Rückzahlungserlöse anteilig über die Hypothekendarlehen verteilt und der auf die Hypothekendarlehen ausstehende Nennbetrag wird um die Höhe dieser Rückzahlung reduziert.
- [(8)][(9)][(10)] Solange einer dieser Hypothekendarlehen noch in Umlauf ist, wird die Emittentin keine weiteren Tschechischen Hypothekendarlehen begeben, es sei denn, die Erlöse aus der Emission solcher weiteren Tschechischen Hypothekendarlehen werden von der Emittentin bei der Begebung dazu verwendet, die betreffenden Hypothekendarlehen im Einklang mit diesen Hypothekendarlehenbedingungen vollständig oder teilweise zu tilgen.
- [(9)][(10)][(11)] § 3 Abs. [3][4][5] bis § 3 Abs. [9][10][11] finden nur auf Hypothekendarlehen Anwendung, wenn die Emittentin es versäumt, diese Hypothekendarlehen vollumfänglich am Fälligkeitsstag (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 *[Falls aufgelaufene Zinsen separat gezahlt werden, einfügen: 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 *[Falls aufgelaufene Zinsen gesondert gezahlt werden, einfügen: 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 *[Falls aufgelaufene Zinsen gesondert gezahlt werden, einfügen: einschließlich aller bis zu diesem Tag der Rückzahlung aufgelaufenen Zinsen][.]*

Die in diesem Absatz (1) genannten Beträge sowie alle weiteren gemäß diesen Hypothekendarlehenbedingungen 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-Hypothekendarlehen 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 Zinsbetrags/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 Hypothekendarlehenbriefe (der "Zahltag") auf einen Tag, der kein Bankarbeitstag ist, dann:

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

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

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

haben die Hypothekendarlehenbriefgläubiger 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 Hypothekendarlehenbriefgläubiger 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:*

wird der Zahltag auf den unmittelbar vorhergehenden Bankarbeitstag vorgezogen.]

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

Die Hypothekendarlehenbriefgläubiger 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 Hypothekendarlehennehmer. Die Zahlung an das Clearingsystem befreit die Emittentin in Höhe der Zahlung von ihren Verbindlichkeiten aus den Hypothekendarlehen.

- (4) Sofern die Emittentin Zahlungen unter den Hypothekendarlehen bei Fälligkeit nicht leistet, wird der fällige Betrag auf Basis des gesetzlich festgelegten Satzes für Verzugszinsen<sup>7</sup> 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 Hypothekendarlehen, 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 § 11 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 § 11 mitzuteilen.
- (4) Die Hauptzahlstelle [, die Zahlstelle[n]] und die Berechnungsstelle [handelt][handeln] im Zusammenhang mit den Hypothekendarlehen ausschließlich als Erfüllungsgehilfen der Emittentin, [übernimmt][übernehmen] keine Verpflichtungen gegenüber den Hypothekendarlehennehmern 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 Hypothekendarlehennehmer verbindlich.

## § 6

### (Steuern)

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

- (1) Zahlungen auf die Hypothekendarlehen 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,

<sup>7</sup> 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.

aufgelegt, 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 Steuerausgleichspflicht (Gross-up) anwendbar ist, einfügen:

- (1) Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Hypothekendarlehen 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 Hypothekendarlehen 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 Hypothekendarlehen zustehen würden, mit der Ausnahme, dass keine solchen zusätzlichen Beträge für Hypothekendarlehen gezahlt werden:
  - (a) die in der Tschechischen Republik zur Zahlung vorgelegt werden; oder
  - (b) deren Inhaber für solche Steuern oder Abgaben in Bezug auf diesen Hypothekendarlehen aufgrund seiner (über die bloße Inhaberschaft des Hypothekendarlehens 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 den Hypothekendarlehen an diesem dreißigsten Tag zur Zahlung vorgelegt hätte, vorausgesetzt dieser Tag wäre ein Zahlungstag (wie in § 4 Abs. [2][3] definiert) gewesen.
- (2) 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.
- (3) Für die Zwecke dieser Hypothekendarlehenbedingungen 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 Hypothekendarleheninhaber ordnungsgemäß in Übereinstimmung mit § 11 davon verständigt wurden, dass der volle zu zahlende Betrag erhalten wurde.]

## § 7 (Rang)

- (1) Unbeachtlich § 15 handelt es sich bei den Hypothekendarlehen um gemäß §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes begebene Hypothekendarlehen (*hypoteční zástavní listy*).
- (2) Die Hypothekendarlehen 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 Hypothekendarlehen, 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 Hypothekendarlehenpfandbriefen gleichrangig gestellt wurden. Obschon die Hypothekendarlehenpfandbriefe unbesicherte Verbindlichkeiten der Emittentin darstellen, sind im Falle eines etwaigen gegen die Emittentin geführten Insolvenzverfahrens besondere Regeln für die Verbindlichkeiten anwendbar, die sich aus solchen von der Emittentin begebenen ausstehenden Tschechischen Hypothekendarlehenpfandbriefen ergeben.

- (3) Für die Zwecke dieser Hypothekendarlehenpfandbriefbedingungen haben die folgenden Begriffe die ihnen nachstehend zugeordnete Bedeutung:

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

- (a) für jedes CRR-Wohnhypothekendarlehen den jeweils niedrigeren Wert der folgenden Größen:
  - (i) den ausstehenden Nennwert des CRR-Wohnhypothekendarlehens;
  - (ii) 80 % des Werts der Beliehenen Immobilie bezüglich dieses CRR-Wohnhypothekendarlehens; und
  - (iii) den Eingetragenen Nennwert dieses CRR Wohnhypothekendarlehens;
- (b) für jedes CRR-Gewerbliche-Hypothekendarlehen den jeweils niedrigeren Wert der folgenden Größen:
  - (i) den ausstehenden Nennwert des CRR-Gewerblichen Hypothekendarlehens;
  - (ii) 60 % des Werts der Beliehenen Immobilie bezüglich dieses CRR-Gewerblichen Hypothekendarlehens; und
  - (iii) den Eingetragenen Nennwert dieses CRR-Gewerblichen Hypothekendarlehens;
- (c) für jedes Hypothekendarlehen gemäß SchVG-cz den jeweils niedrigeren Wert der folgenden Größen:
  - (i) den ausstehenden Nennwert des Hypothekendarlehens gemäß SchVG-cz s;
  - (ii) der Wert der Beliehenen Immobilie bezüglich dieses Hypothekendarlehens gemäß SchVG-cz; und
  - (iii) den Eingetragenen Nennwert dieses Hypothekendarlehens gemäß SchVG-cz.
- (d) für jede PSB-Forderung und -Risikoposition: deren ausstehenden Nennwert;
- (e) für Bargeld: den ausstehenden Nennwert; und
- (f) für jedes Derivat: dessen tatsächlichen Wert gemäß anwendbarem Recht, vorausgesetzt dass, wenn ein solcher tatsächlicher Wert negativ ist, er als 0 (Null) anzusehen ist.

"**Sonderaufsichtsvertrag**" bezeichnet den Sonderaufsichtsvertrag vom 15. Dezember 2020 zwischen der Emittentin als Emittent und Deloitte Audit s.r.o. als Sonderaufseher (der "**Sonderaufseher**").

"**Sonderaufsichtsberechnungstag**" bezeichnet:

- (a) den Ersten Sonderaufsichtsberechnungstag; und
- (b) nach dem den Ersten Sonderaufsichtsberechnungstag:
  - (i) soweit kein fortbestehender Kündigungsgrund vorliegt: den Ersten Sonderaufsichtsberechnungstag und das Datum seiner alljährlichen Wiederkehr; und

- (ii) nach Eintreten eines Kündigungsgrundes: jedes Monatliche Datum, das einen Kalendermonat oder später nach dem ersten Eintreten des Kündigungsgrundes folgt, solange dieser fortbesteht.

"**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.

"**Geschäftstag**" 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.

"**Bargeld**" bezeichnet Bargeldforderungen der Emittentin gemäß § 31 Abs. 2 d) des Tschechischen Schuldverschreibungsgesetzes.

"**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.

"**Deckungsaktiva**" bezeichnet die im Deckungsregister eingestellten Deckungsaktiva, die den Gesetzlichen Auswahlkriterien und den Vertraglichen Auswahlkriterien (falls zutreffend für die jeweiligen Deckungsaktiva) genügen.

"**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 Hypothekenpfandbriefbedingungen festgelegt sind, und die Verbindlichkeiten der Emittentin decken sollen, welche sich aus den Tschechischen Hypothekenpfandbriefen 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-Gewerbliches-Hypothekendarlehen**" bezeichnet das CRR-Hypothekendarlehen, das durch die Beliehene Immobilie, die eine gewerblich genutzte Immobilie im Sinne der CRR ist, besichert ist.

"**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).

"**CRR-Wohnhypothekendarlehen**" bezeichnet das CRR-Hypothekendarlehen, das durch die Beliehene Immobilie, die eine Wohnimmobilie gemäß Artikel 4 Abs. 75 der CRR ist, besichert ist.

"**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.

"**PSB-Forderungen gemäß SchVG-cz**" bezeichnet die in § 31 Abs. 2 b) und c) des Tschechischen Schuldverschreibungsgesetzes genannten Forderungen.

"**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 Hypothekendarlehenpfandbriefe**" bezeichnet alle Instrumente und Wertpapiere, die von der Emittentin in der Form von Hypothekendarlehenpfandbriefen (*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 Hypothekendarlehenpfandbriefe), im Rahmen der Pfandbriefprogramme der Emittentin, 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.

"**Tschechisches Liegenschaftskataster**" " bezeichnet das tschechische Liegenschaftskataster (*katastr nemovitostí*), das gemäß Gesetz Nr. 256/2013 Slg. über das Liegenschaftskataster, in der jeweils gültigen Fassung.

"**Dealer**" bezeichnet Raiffeisen Bank International, Raiffeisen Bank 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 Dealer Agreement vom 15. Dezember 2020 zwischen der Emittentin, Raiffeisen Bank International als Arrangeur und Dealer, und Raiffeisen Bank a.s. als Dealer.

"**Schulden**" bezeichnet alle Schulden, die durch die Deckungsmasse gedeckt sind zu Zwecken der in Artikel 28a Abs. 1 und 2 des Tschechischen Schuldverschreibungsgesetzes dargelegten Gesetzlichen Tests.

"**Verzug**" bezeichnet einen Verzug in Bezug auf den Darlehensnehmer unter dem Hypothekendarlehen gemäß Artikel 178 der CRR.

"**Notleidendes Darlehen**" " bezeichnet ein in der Deckungsmasse enthaltenes Hypothekendarlehen bezüglich dessen ein Verzug eingetreten ist und weiterhin besteht.

"**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;

"**Englischrechtliches Hypothekendarlehenpfandbriefprogramm**" " bezeichnet das inaktive EUR 5.000.000.000 internationale Hypothekendarlehenpfandbriefprogramm mit ausstehenden Hypothekendarlehenpfandbriefen nach Tschechischem Recht, welche die Anforderungen der §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes und die Verordnung Nr. der CNB Nr. No. 164/2014 Slg. der CNB erfüllen (und damit unter die Definition der Tschechischen Hypothekendarlehenpfandbriefe fallen).

"**Erster Sonderaufsichtsberechnungstag**" bezeichnet den 30. September 2020;

"**Ausgabetag**" bezeichnet einen Tag, an dem die Emittentin Hypothekendarlehen unter dem Programm begibt;

"**Ausgabe- und Zahlstellenvertrag**" bezeichnet den Vertrag über die Ausgabe- und Zahlstelle vom 15. Dezember 2020 zwischen der Emittentin und Citibank, N.A., London Branch als der Hauptzahlstelle.

"**Pfandbriefprogramme der Emittentin**" bezeichnet sowohl das Englischrechtliche Hypothekendarlehenprogramm und Lokale Pfandbriefprogramme.

"**Lokales Pfandbriefprogramm**" bezeichnet das inaktive CZK 50.000.000.000 Programm für Inlandspfandbriefe zur Begebung von: (i) Hypothekendarlehen nach Tschechischem Recht, welche die Anforderungen der §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes und die Frühere CNB-Verordnung erfüllen (und damit unter die Definition der Tschechischen Hypothekendarlehen fallen); und (ii) sonstige nach Tschechischem Recht begebene Pfandbriefe gemäß Tschechischem Schuldverschreibungsgesetz.

"**LTV-Quote**" bezeichnet das prozentuale Verhältnis des Nennwerts der Forderungen der Emittentin aus einem Hypothekendarlehen geteilt durch den Wert der Beliehenen Immobilie der maßgeblichen Beliehenen Immobilie, die dieses Hypothekendarlehen besichert.

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

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

"**Beliehene Immobilie**" bezeichnet in Bezug auf ein beliebiges Hypothekendarlehen die zur Besicherung des Hypothekendarlehens verpfändete Immobilie, in Bezug auf die alle maßgeblichen geltenden Gesetze erfüllt sind.

"**Wert der Beliehenen Immobilie**" bezeichnet den Gesamtwert der Beliehenen Immobilie, der von der Emittentin im Einklang mit den anzuwendenden Gesetzen (einschließlich dem Tschechisches Vermögensbewertungsgesetz) und mit den internen Regelungen der Emittentin für die Bewertung Beliehener Immobilien bestimmt wurde.

"**Nennwert**" bezeichnet die Summe der ausstehenden Hauptforderungen in Bezug auf die Tschechischen Hypothekendarlehen (derselben Deckungsmasse), Hypothekendarlehen oder andere Schulden oder Sicherheiten.

"**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 € 5.000.000.000 Programm der Emittentin für die Begebung von Hypothekendarlehen.

"**PSB-Forderungen und -Risikopositionen**" bezeichnet die CRR PSB-Forderungen und die PSB-Forderungen gemäß SchVG-cz.

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

**"Eingetragener Nennwert"** bezeichnet den Teil des Nennwerts eines Hypothekendarlehens, der im Deckungsregister gemäß Artikel 3 Abs. 2 (g) der CNB-Verordnung zu Zwecken der Übereinstimmung mit Artikel 28a des Tschechischen Schuldverschreibungsgesetzes eingetragen ist.

**"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.]

**"Staatliche Subvention"** bezeichnet jede Subvention oder ähnliche Leistung im Sinne der Verordnung Nr. 249/2002 Slg. der tschechischen Regierung über Bedingungen der Gewährung von Subventionen in Bezug auf Hypothekendarlehen für Personen unter 36 Jahren, in der jeweils gültigen Fassung, und Verordnung Nr. 244/1995 Slg. der tschechischen Regierung über Bedingungen der Gewährung von finanziellen Subventionen in Bezug auf Hypothekendarlehen für Wohnbauentwicklung, in der jeweils gültigen Fassung, oder jede Subvention oder Leistung ähnlicher Art, die nach dem Datum des Basisprospekts eingeführt werden können; zur Klarstellung: die Definition der Staatlichen Subvention umfasst keine Steuervergünstigungen.

**"Gesetzliche Tests"** bezeichnet alle vom Tschechischen Schuldverschreibungsgesetz für die Emittentin vorgeschriebenen Tests (einschließlich der in § 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 § 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 Hypothekendarlehenpfandbriefbedingungen;
  - (b) die relevante Fassung der Endgültigen Bedingungen;
  - (c) das Dealer Agreement; und
  - (d) den Ausgabe- und Zahlstellenvertrag.
- (4) Soweit sich aus dem Kontext nichts Gegenteiliges ergibt, gilt, dass eine Bezugnahme in diesen Hypothekendarlehenpfandbriefbedingungen:
- (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.
- (5) Zur Klarstellung: Die Emittentin ist berechtigt, in Zukunft zusätzliche Deckungsmassen bezüglich der Tschechischen Hypothekendarlehen zu bilden. Ist dies der Fall, so bleiben die zum jeweiligen Zeitpunkt ausstehenden Hypothekendarlehen von der Deckungsmasse gedeckt, die zum Ausgabetermin 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 Ausgabetermin 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 % aller Schulden beträgt (der "**Vertragliche Deckungstest**"). In Bezug auf den Vertraglichen Deckungstest wird, unter Vorbehalt des anwendbaren Rechts, jeder Betrag (i) sofern er auf eine andere Währung als die Tschechische Krone lautet, im entsprechenden Gegenwert der Tschechischen Kronen, der unter Anwendung des Maßgeblichen Wechselkurses für solche Beträge am maßgeblichen Datum ermittelt wird; und (ii) sofern der Betrag auf Tschechische Kronen lautet, im entsprechenden Betrag in Tschechischen Kronen berechnet.
- (3) Die Emittentin wird jeweils am Sonderaufsichtsberechnungstag und jedem Ausgabetermin 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 Hypothekendarlehen begeben, die aus der Deckungsmasse Nutzen ziehen.
- (4) Die Emittentin verpflichtet sich, der Ratingagentur (bzw. einer anderen Ratingagentur, die eine Bewertung für die Hypothekendarlehen 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 in Bezug auf in der Deckungsmasse enthaltene Deckungsaktiva erfüllt (zusammen die "**Vertraglichen Auswahlkriterien**"):
- (a) die Hypothekendarlehen unterliegen tschechischem Recht;
  - (b) die Hypothekendarlehen sind vollständig ausgezahlt, und der betreffende Darlehensnehmer hat kein Recht oder keinen Anspruch auf einen zusätzlichen Vorschuss der Emittentin;
  - (c) die Hypothekendarlehen sahen zum Zeitpunkt der Auszahlung keine Staatliche Subvention in Bezug auf den Nennbetrag oder Zinsen vor;
  - (d) die Beliehene Immobilie ist eine Immobilie, die vollständig errichtet wurde, wie ein Auszug aus dem tschechischen Immobilienregister belegt;
  - (e) die Beliehene Immobilie befindet sich in der Tschechischen Republik
  - (f) die Hypothekendarlehen sind keine Notleidenden Darlehen;

- (g) bei den Hypothekendarlehen ist die maximale Höhe der besicherten Forderungen der Emittentin mindestens gleich dem Eingetragenen Nennwert dieses Hypothekendarlehens;
- (h) die LTV-Quote des CRR-Wohnhypothekendarlehens beträgt nicht mehr als 80 % und wenn diese Schwelle überschritten wird, wird der Teil des Nennwerts dieses CRR-Wohnhypothekendarlehens, der die LTV-Quote von 80 % überschreitet, zu Zwecken des Gesetzlichen Tests und des Vertraglichen Deckungstests nicht berücksichtigt;
- (i) die LTV-Quote des CRR-Wohnhypothekendarlehens beträgt nicht mehr als 60 % und wenn diese Schwelle überschritten wird, wird der Teil des Nennwerts dieses CRR-Wohnhypothekendarlehens, der die LTV-Quote von 60 % überschreitet, zu Zwecken des Gesetzlichen Tests und des Vertraglichen Deckungstests nicht berücksichtigt;
- (j) der Darlehensnehmer unter dem Hypothekendarlehen hat mindestens eine Ratenzahlung geleistet;
- (k) sämtliche vom jeweiligen Darlehensnehmer zahlbaren Hypothekendarlehen lauten auf Tschechische Kronen (oder eine andere Währung, die die Tschechische Krone als offizielle gesetzliche Währung in der Tschechischen Republik ab dem Zeitpunkt einer solchen Ersetzung ersetzen kann);
- (l) der Nennwert der Hypothekendarlehen, die den Mitarbeitern der Emittentin gewährt werden, beträgt nicht mehr als 5 % des Nennwerts der Hypothekendarlehen, die in der Deckungsmasse enthalten ist; und
- (m) die Deckungsmasse enthält keine Asset-Backed Securities.

In Bezug auf die Vertraglichen Auswahlkriterien wird, unter Vorbehalt des anwendbaren Rechts, jeder Betrag (i) sofern er auf eine andere Währung als die Tschechische Krone lautet, im entsprechenden Gegenwert der Tschechischen Kronen, der unter Anwendung des Maßgeblichen Wechselkurses für solche Beträge am maßgeblichen Datum ermittelt wird; und (ii) sofern der Betrag auf Tschechische Kronen lautet, im entsprechenden Betrag in Tschechischen Kronen berechnet.

- (6) Die Emittentin verpflichtet sich außerdem für den gesamten Zeitraum, zu dem irgendwelche der Hypothekenpfandbriefe ausstehen:
  - (a) die Hypothekenpfandbriefgläubiger (im Einklang mit § 11) und die Hauptzahlstelle unverzüglich vom Eintreten jeglichen Kündigungsgrundes in Kenntnis zu setzen;
  - (b) 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;
  - (c) 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 Hypothekenpfandbriefe einzuhalten, was uneingeschränkt ihre Verpflichtungen betreffend die Führung des Deckungsregisters und sämtliche weiteren Dauerpflichten der Emittentin betreffend die Tschechischen Hypothekenpfandbriefe und die Deckungsmasse einschließt;
  - (d) 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;

- (e) 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 Hypothekendarlehenpfandbriefbedingungen) und dem Datum der Abgabe der aktuellen Bescheinigung ist die Emittentin ihren wesentlichen Verpflichtungen gemäß diesen Hypothekendarlehenpfandbriefbedingungen, 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);
- (f) jeden Hypothekendarlehenpfandbriefgläubiger auf dessen schriftlichen Wunsch hin mit sämtlichen Berichten zu versorgen, die vom Sonderaufseher gemäß dem Sonderaufsichtsvertrag erstellt wurden;
- (g) 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 Hypothekendarlehenpfandbriefgläubiger nicht wesentlich entgegenstehen.

## § 9 (Kündigungsgründe)

- (1) Jeder Hypothekendarlehenpfandbriefgläubiger ist berechtigt, seine Hypothekendarlehenpfandbriefe sofort fällig zu stellen und deren unverzügliche Rückzahlung zum Rückzahlungsbetrag zu verlangen, falls eines oder mehrere der folgenden Ereignisse (jeweils ein "**Kündigungsgrund**") eintreten und andauern:
  - (a) Nichterfüllung irgendwelcher Zahlungsverpflichtungen der Emittentin gemäß bzw. im Zusammenhang mit den Hypothekendarlehenpfandbriefen für einen Zeitraum von mehr als 10 (zehn) Bankarbeitstagen ab dem Tag der Fälligkeit dieser Zahlungsverpflichtungen; oder
  - (b) Die Emittentin erfüllt die Gesetzlichen Tests für einen Zeitraum von mehr als drei Monaten nicht.

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

- (2) Die Mitteilung der Fälligkeitstellung von Hypothekendarlehenpfandbriefen gemäß vorstehendem Abs. 1 soll in Textform seitens des Hypothekendarlehenpfandbriefgläubigers an die Hauptzahlstelle erfolgen, die persönlich oder per Einschreiben zuzustellen ist und einen hinreichend stichhaltigen Nachweis enthalten muss, dass der Hypothekendarlehenpfandbriefgläubiger zum Zeitpunkt der Mitteilung Inhaber der relevanten Hypothekendarlehenpfandbriefe ist. Die Hypothekendarlehenpfandbriefe 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

### (Zusätzliche Pflichten der Emittentin zum Vorteil der Hypothekendarfandbriefgläubiger)

Falls eines oder mehrere der folgenden Ereignisse (jeweils ein "Emissions-Einstellungs-Ereignis") eintritt bzw. eintreten und andauert bzw. andauern:

- (a) 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 Hypothekendarfandbriefgläubigers 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); unter "**Wesentlichen Verpflichtungen**" sind jegliche wesentliche Verpflichtungen der Emittentin gemäß den Hypothekendarfandbriefbedingungen und gemäß Sonderaufsichtsvertrag zu verstehen;
- (b) ein Verstoß gegen den Vertraglichen Deckungstet in Bezug auf die Deckungsmasse;
- (c) die Emittentin (i) ist nicht mehr als Bank zugelassen; (ii) ist nicht mehr befugt, Hypothekendarfandbriefe (*hypoteční zástavní listy*) auszugeben; oder (iii) hat ihre Geschäftstätigkeit oder ihre Tätigkeit als Bank im Wesentlichen vollständig eingestellt oder eine Einstellung steht möglicherweise bevor; oder
- (d) (i) die Emittentin (1) ist überschuldet (*předlužen*), (2) ist nicht in der Lage, ihre Schulden bei Fälligkeit zu begleichen (*platebně neschopný*) oder (3) befindet sich in einer Situation drohender Zahlungsunfähigkeit (*hrozící úpadek*) gemäß der Tschechischen Insolvenzordnung; (ii) es wird eine gesellschaftsrechtliche Maßnahme, ein Gerichtsverfahren oder ein anderes Verfahren oder eine andere Maßnahme in Bezug auf (1) die Aussetzung von Zahlungen oder ein Moratorium für jegliche Verschuldung der Emittentin unternommen; (2) Konkurs (*úpadek*) oder Entlastung (*oddlužení*) der Emittentin; oder (3) eine Reorganisation (*reorganizace*) oder einen ähnlichen Vergleich mit einem Gläubiger der Emittentin gemäß Tschechischen Insolvenzordnung, es sei denn, der Antrag auf Einleitung eines solchen Verfahrens wird in gutem Glauben angefochten und innerhalb von 30 Kalendertagen nach dieser Einleitung erledigt, ausgesetzt oder abgewiesen; (iii) ein Verwalter, Konkursverwalter, Zwangsverwalter, Liquidator oder ein ähnliches Organ der Emittentin oder im wesentlichen das gesamte Unternehmen, Vermögen und Einkommen der Emittentin wird bestellt; oder (iv) die Emittentin ergreift eine Maßnahme zur Neuordnung oder Stundung im Wesentlichen aller ihrer Verpflichtungen oder nimmt eine allgemeine Abtretung oder einen Vergleich mit ihren Gläubigern oder zu ihren Gunsten im allgemeinen vor oder erklärt ein Moratorium in Bezug auf ihre gesamte Verschuldung oder Garantien im Allgemeinen für eine von ihr gegebene Verschuldung,

und sofern Hypothekendarfandbriefe dann ausstehend sind, darf die Emittentin keine Tschechischen Hypothekendarfandbriefe begeben, die aus der Deckungsmasse Nutzen ziehen.

## § 11

### (Mitteilungen)

[Im Fall von börsennotierten Hypothekendarfandbriefen 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 Hypothekendarfandbriefe 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 Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefen einfügen:

Die Emittentin übermittelt alle Mitteilungen in Bezug auf die Hypothekendarlehenbriefe dem Clearingsystem zur Weiterleitung durch das Clearingsystem an die Hypothekendarlehenbriefgläubiger. 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 Hypothekendarlehenbriefgläubiger bewirkt.]

[Im Fall von börsennotierten Hypothekendarlehenbriefen einfügen:

Anstelle der in Absatz (1) erwähnten Veröffentlichung in einem Börsenpflichtblatt darf die Emittentin die jeweilige Mitteilung an das Clearingsystem zur Weiterleitung an die Hypothekendarlehenbriefgläubiger übermitteln, sofern das Regelwerk der Börse, an der die Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefgläubiger 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.]]

## § 12 (Rückerwerb)

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



**§ 13**  
**(Vorlegungsfrist)**

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

**§ 14**  
**(Teilunwirksamkeit)**

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

**§ 15**  
**(Anwendbares Recht, Gerichtsstand[, Sprache])**

- (1) Form und Inhalt der Hypothekendarlehenbriefe sowie die Rechte und Pflichten der Emittentin und der Hypothekendarlehenbriefgläubiger unterliegen dem Recht der Bundesrepublik Deutschland.
- (2) Obschon die Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe anwendbar oder anderweitig für diese von Relevanz sind. Deshalb müssen die Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe und die Deckungsmasse.
- (3) Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den in diesen Hypothekendarlehenbriefbedingungen geregelten Angelegenheiten ist, soweit gesetzlich zulässig, Frankfurt am Main.

*[Nur einfügen, falls die Anleihebedingungen nicht ausschließlich in deutscher Sprache abgefasst sind:]*

- (4) *[Falls nicht-bindende englische Übersetzung beigefügt wird, einfügen: Diese Hypothekendarlehenbriefbedingungen 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 nicht-bindende deutsche Übersetzung beigefügt wird, einfügen: Diese Hypothekendarlehenbriefbedingungen 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.]]*

**§ 16**  
**(Änderungen der Hypothekendarlehenbriefbedingungen)**

- (1) §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen ("**SchVG**") finden auf die Hypothekendarlehenbriefe Anwendung. Von daher ist die Emittentin berechtigt, diese Hypothekendarlehenbriefbedingungen mit der im Wege eines Mehrheitsbeschlusses erteilten Einwilligung der Hypothekendarlehenbriefgläubiger zu ändern.
- (2) Die Hypothekendarlehenbriefgläubiger 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 Hypothekendarfandbriefen ergebenden Forderungen in einem gegen die Emittentin geführten Insolvenzverfahren;
- (e) die Umwandlung bzw. der Austausch der Hypothekendarfandbriefe gegen Aktien oder andere Wertpapiere oder Obligationen;
- (f) Wechsel bzw. Freigabe von Sicherheiten;
- (g) Änderung der Währung der Hypothekendarfandbriefe;
- (h) Verzicht auf bzw. Einschränkung der Kündigungsrechte, die sich für die Hypothekendarfandbriefgläubiger aus den Hypothekendarfandbriefen ergeben;
- (i) Änderung oder Aufhebung von Nebenbestimmungen der Hypothekendarfandbriefe; und
- (j) Bestellung oder Abberufung eines gemeinsamen Vertreters für die Hypothekendarfandbriefgläubiger.

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

- (3) Gemäß § 18 SchVG verabschieden die Hypothekendarfandbriefgläubiger ihre Beschlüsse im Wege einer Abstimmung [ohne persönliche Zusammenkunft] [im Rahmen einer persönlichen Zusammenkunft].

Die Versammlung der Hypothekendarfandbriefgläubiger 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 Hypothekendarfandbriefgläubiger einberufen werden muss, falls Hypothekendarfandbriefgläubiger, die zusammen Hypothekendarfandbriefe in einem Wert von 5 % des ausstehenden Kapitalbetrags der Hypothekendarfandbriefe schriftlich hierum nachsuchen, unter Benennung einer der in § 9 Abs. 1 erster Satz SchVG aufgeführten Gründe.

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

Für die Verabschiedung von Beschlüssen in den Fällen gemäß § 16 Abs. 2 (a) bis (i) bedarf es einer Mehrheit von mindestens 75 % der Stimmen der stimmberechtigten Hypothekendarfandbriefgläubiger.

- (5) Die an der Abstimmung teilnehmenden Hypothekendarfandbriefgläubiger geben ihre Stimmen gemäß der Höhe des Kapitalbetrags bzw. ihres rechnerischen Anteils an den ausstehenden Hypothekendarfandbriefen ab. Solange die Berechtigung aus den Hypothekendarfandbriefen 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 Hypothekendarfandbriefe. Die Emittentin ist nicht berechtigt, die mit solchen ruhenden Stimmrechten verbundenen Hypothekendarfandbriefe 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 Hypothekendarfandbriefgläubiger verbindlich. Beschlüsse, die nicht für identische Bedingungen für alle Hypothekendarfandbriefgläubiger sorgen, sind nichtig, es sei denn, die benachteiligten Hypothekendarfandbriefgläubiger haben dieser nachteiligen Behandlung ausdrücklich zugestimmt.
- (7) Hypothekendarfandbriefgläubiger 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 Hypothekendarlehners bezeichnen;
- (b) den Gesamtkapitalbetrag der Hypothekendarlehen 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 Hypothekendarlehner ein Wertpapierkonto betreffend die Hypothekendarlehen unterhält, einschließlich des Clearingsystems.

- (8) Die Hypothekendarlehner können im Wege eines Mehrheitsbeschlusses einen gemeinsamen Vertreter (den "**Gemeinsamen Vertreter**") bestellen, der dann die Rechte der Hypothekendarlehner namens jedes einzelnen Hypothekendarlehners 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) Finanzdarlehner der Emittentin oder irgendeiner ihrer verbundenen Unternehmen ist, mit einer Forderung, deren Betrag mindestens 20 % der ausstehenden Hypothekendarlehen entspricht, oder bei einem solchen Finanzdarlehner 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 Hypothekendarlehnern 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 Hypothekendarlehnern unverzüglich in angemessener Form hiervon unterrichten.

- (9) Dem Gemeinsamen Vertreter kommen die Pflichten und Kompetenzen zu, die ihm das Gesetz oder die Hypothekendarlehnern per Mehrheitsbeschluss einräumen. Der Gemeinsame Vertreter hat sich nach den Weisungen der Hypothekendarlehnern zu richten. Insoweit als der Gemeinsame Vertreter bevollmächtigt wurde, bestimmte Rechte der Hypothekendarlehnern geltend zu machen, sind die Hypothekendarlehnern nicht berechtigt, diese Rechte selbst in Anspruch zu nehmen, es sei denn, der betreffende Mehrheitsbeschluss sieht dies ausdrücklich vor. Der Gemeinsame Vertreter hat den Hypothekendarlehnern Bericht über seine Tätigkeiten zu erstatten.
- (10) Der Gemeinsame Vertreter haftet den Hypothekendarlehnern gegenüber in deren Eigenschaft als Gesamtdarlehner für die Erfüllung seiner Pflichten, derer er sich mit der Sorgfalt eines ordentlichen Geschäftsleiters auszuüben hat. *[Falls der Beschluss der Hypothekendarlehnern eine Beschränkung der Haftung des Gemeinsamen Vertreters vorsieht, einfügen: Die Haftung des Gemeinsamen Vertreters kann im Wege eines von den Hypothekendarlehnern 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

Hypothekendarfandbriefgläubiger entscheiden über die Geltendmachung von Schadensersatzansprüchen seitens der Hypothekendarfandbriefgläubiger gegenüber dem Gemeinsamen Vertreter.

- (11) Der Gemeinsame Vertreter kann von den Hypothekendarfandbriefgläubigern 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 HYPOTHEKENPFANDBRIEFE

### § 1

#### (Serie, Form der Hypothekendarfandbriefe, Ausgabe weiterer Hypothekendarfandbriefe)

- (1) Diese Tranche der Serie (die "**Serie**") von Hypothekendarfandbriefen (*hypoteční zástavní listy*; im Weiteren nur "**Hypothekendarfandbriefe**") der Raiffeisenbank a.s. (die "**Emittentin**") wird am [Ausgabetag einfügen] (der "**Ausgabetag**") in Form von Inhabershypothekendarfandbriefen auf der Grundlage dieser Hypothekendarfandbriefbedingungen (die "**Hypothekendarfandbriefbedingungen**") in [Festgelegte Währung einfügen] (die "**Festgelegte Währung**") im Gesamtnennbetrag von [Gesamtnennbetrag einfügen] (der "**Gesamtnennbetrag**") in einer Stückerlung von [Festgelegte Stückerlung einfügen] (die "**Festgelegte Stückerlung**") begeben.

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

- (2) Die Hypothekendarfandbriefe 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 Hypothekendarfandbriefe keine U.S.-Person(en) ist bzw. sind (ausgenommen bestimmte Finanzinstitute oder Personen, die Hypothekendarfandbriefe 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 Hypothekendarfandbriefe (die "**Hypothekendarfandbriefgläubiger**") haben keinen Anspruch auf Ausgabe von Hypothekendarfandbriefen in effektiver Form. Die Hypothekendarfandbriefe 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:

- (2) Die Hypothekendarfandbriefe 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 Hypothekendarfandbriefe (die "**Hypothekendarfandbriefgläubiger**") haben keinen Anspruch auf Ausgabe von Hypothekendarfandbriefen in effektiver Form. Die Hypothekendarfandbriefe sind als Miteigentumsanteile an der Globalurkunde nach den einschlägigen Bestimmungen des Clearingsystems übertragbar. Zahlungsansprüche sind durch die Globalurkunde verbrieft.]
- (3) Jede Globalurkunde wird von einem oder im Namen eines Clearingsystems verwahrt. "**Clearingsystem**" sind Clearstream Banking S.A., 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**"].

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

- (4) Die Hypothekendarlehenbriefe 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:]*

- (4) Die Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefen führt) sind schlüssiger Nachweis über den Nennbetrag der durch die Globalurkunde verbrieften Hypothekendarlehenbriefe und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bestätigung mit dem Nennbetrag der so verbrieften Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Hypothekendarlehenbriefe abgezogen. *[Falls die Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefgläubiger weitere Hypothekendarlehenbriefe mit gleicher Ausstattung in der Weise begeben, dass sie mit den Hypothekendarlehenbriefen zusammengefasst werden, mit ihnen eine einheitliche Serie bilden und den Gesamtnennbetrag der Hypothekendarlehenbriefe erhöhen. Der Begriff "Hypothekendarlehenbriefe" umfasst im Fall einer solchen Erhöhung auch solche zusätzlich begebenen Hypothekendarlehenbriefe.

## § 2 (Verzinsung)

- (1) Während ihrer Laufzeit erfolgen keine periodischen Zinszahlungen auf die Darlehenbriefe.

*[Im Fall der Abhängigkeit des, auf den Rückzahlungsbetrag [und den Optionalen Rückzahlungsbetrag] anfallenden, Verzugszinses von der Emissionsrendite, einfügen: anfällt, einfügen:]*

- (2) "**Zinstagequotient**" bezeichnet für die Berechnung des auf einen Darlehenbrief 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 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.]]

### § 3

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

- (1) Die Hypothekendarlehen werden am [Fälligkeitstag einfügen] (der "**Fälligkeitstag**") in Höhe [Falls die Hypothekendarlehen zu ihrer festgelegten Stückelung zurückgezahlt werden, einfügen: der festgelegten Stückelung] [Falls die Hypothekendarlehen 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 jeder Hypothekendarlehen zu ihrem vorzeitigen Rückzahlungsbetrag (der "**Vorzeitige Rückzahlungsbetrag**") zurückgezahlt wird, der gemäß der folgenden Formel berechnet wird:

$$\text{Vorzeitiger Rückzahlungsbetrag} = \text{RP} \times (1 + \text{ER})^y$$

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 Hypothekendarlehen können nach Wahl der Emittentin jederzeit (insgesamt, jedoch nicht teilweise), nach vorheriger (unwiderruflicher) Mitteilung an die Hauptzahlstelle und gemäß § 11 an die Hypothekendarlehenbesitzer 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 Hypothekendarlehen 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 Hypothekendarlehenpfandbriefe 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 Hypothekendarlehenpfandbriefe dann fällig wäre.

Bevor die Emittentin die Rückzahlung gemäß diesem § 3 Abs. 2 ankündigt, wird sie der Hauptzahlstelle (zwecks Bereitstellung zur Einsichtnahme durch die Hypothekendarlehenpfandbriefgläubiger 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 Hypothekendarlehenpfandbriefgläubiger 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 zurückzahlende Hypothekendarlehenpfandbriefe werden zum Vorzeitigen Rückzahlungsbetrag zurückbezahlt, zusammen (falls anwendbar) mit den bis zum Fälligkeitstag (ausschließlich) aufgelaufenen Zinsen.]

- [(2)] [(3)] Die Hypothekendarlehenpfandbriefe können nach Wahl der Emittentin jederzeit (insgesamt, jedoch nicht teilweise), nach vorheriger (unwiderruflicher) Mitteilung an die Hauptzahlstelle und gemäß § 11 an die Hypothekendarlehenpfandbriefgläubiger 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 Zinszahlungstag irgendeines Hypothekendarlehenpfandbriefes gesetzwidrig geworden ist oder gesetzwidrig wird, weiterhin Hypothekendarlehenpfandbriefe 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 Zinszahlungstag 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 Hypothekendarlehenpfandbriefgläubiger 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] zurückzahlende Hypothekendarlehenpfandbriefe 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 Hypothekendarlehenpfandbriefe 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 Hypothekendarlehenpfandbriefe werden



zum [betreffenden] Kündigungstermin zum Optionalen Rückzahlungsbetrag gemäß den Vorschriften des § 4 zurückgezahlt.

Der Optionale Rückzahlungsbetrag (der "**Optionale Rückzahlungsbetrag**") [je Pfandbrief] [der Hypothekendarlehenpfandbriefe] ist [seine festgelegte Stückelung] [ihr Gesamtnennbetrag] [wie folgt:

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

([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 Hypothekendarlehenpfandbriefe beginnt und mit dem Ablauf des Tages endet, der der tatsächlichen Rückzahlung der Hypothekendarlehenpfandbriefe vorausgeht, [und zwar zu einem Betrag in Höhe des gesetzlichen Verzugszinssatzes<sup>8</sup>] [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 [*Ausgabetermin einfügen*] (einschließlich) bis zu dem für die Rückzahlung vorgesehenen Tag bzw. dem Tag, an dem die Hypothekendarlehenpfandbriefe 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:*

- (c) den Vorzeitigen Rückzahlungsbetrag an dem gemäß § 3 Abs. 2 bestimmten Tag der Rückzahlung zu bezahlen [*Falls aufgelaufene Zinsen gesondert gezahlt werden, einfügen:* 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 [*Falls aufgelaufene Zinsen gesondert bezahlt werden, einfügen:* einschließlich aller bis zu diesem Tag der Rückzahlung aufgelaufenen Zinsen][.]]

Die in diesem Absatz (1) genannten Beträge sowie alle weiteren gemäß diesen Hypothekendarlehenpfandbriefbedingungen 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

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<sup>8</sup> 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.

Einheit der Festgelegten Wahrung auf- oder abgerundet, wobei 0,5 einer solchen Einheit [aufgerundet] [stets abgerundet] werden]

[Im Fall von Dual-Currency-Hypothekenpfandbriefen einfugen:

- (2) Die Zahlung des Ruckzahlungsbetrags[,] [und] [des Optionalen Ruckzahlungsbetrags] [und] [des Vorzeitigen Ruckzahlungsbetrags] werden in [Wahrung einfugen] abgewickelt.

[Die Umrechnung der Betrage zahlbar in [Wahrung einfugen] erfolgt mit dem Wechselkurs am jeweiligen Kursberechnungstag fur den Ruckzahlungsbetrag[,] [und] den Zinsbetrag/die Zinsbetrage [und] [den Optionalen Ruckzahlungsbetrag] [und] [den Vorzeitigen Ruckzahlungsbetrag].

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

"[ersten Kurs einfugen]" bezeichnet den von [Sponsor einfugen] (ein "**Fixing Sponsor**") veroffentlichten [entsprechende Bezeichnung einfugen] Kassakurs (ein "**Kassakurs**") (ausgedruckt als Anzahl von ([Wahrung] pro [einem][•] [Wahrung]), der am Kursberechnungstag auf der Reuters Bildschirmseite "[Seite einfugen]" gegen [Zeit einfugen] [Zeitzone einfugen]) erscheint.

"[zweiten Kurs einfugen]" bezeichnet den von [Sponsor einfugen] (ein "**Fixing Sponsor**") veroffentlichten [entsprechende Bezeichnung einfugen] Kassakurs (ein "**Kassakurs**") (ausgedruckt als Anzahl von ([Wahrung] pro [einem][•] [Wahrung]), der am Kursberechnungstag auf der Reuters Bildschirmseite "[Seite einfugen]" gegen [Zeit einfugen] [Zeitzone einfugen]) erscheint.

"**Kursberechnungstag**" bezeichnet den [zweiten] Bankarbeitstag vor der Zahlung des Ruckzahlungsbetrags[,] [und] des Zinsbetrags/der Zinsbetrage [und] [des Optionalen Ruckzahlungsbetrags] [und] [des Vorzeitigen Ruckzahlungsbetrags], jeweils in ubereinstimmung mit der Konvention von Bankarbeitstagen.

["**Bankarbeitstag**" bedeutet [TARGET2] [, [Finanzzentrum einfugen] [und] [Finanzzentrum einfugen]].]

"**Marktstorung**" bezeichnet:

- (a) das Ausbleiben der Veroffentlichung eines Kassakurses durch den jeweiligen Fixing Sponsor,
- (b) die Aufhebung oder Beschrankung des Devisenhandels fur mindestens eine der relevanten Wahrungen, die fur den Wechselkurs Berucksichtigung finden (einschlielich Optionen oder Terminkontrakte), oder die Beschrankung der Konvertibilitat der Wahrungen, die fur den Wechselkurs Berucksichtigung finden, oder die effektive Unmoglichkeit, eine Kursstellung fur den betreffenden Wechselkurs zu erhalten, oder
- (c) alle sonstigen Ereignisse, deren wirtschaftliche Auswirkungen den vorgenannten Fallen ahnlich sind,

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

Wenn eine wie vorstehend bezeichnete Marktstorung an einem Kursberechnungstag eintritt, wird der betreffende Kursberechnungstag auf den nachstfolgenden Bankarbeitstag vor der Zahlung des Ruckzahlungsbetrags[,] [und] des Zinsbetrags/der Zinsbetrage [und] [des Optionalen Ruckzahlungsbetrags] [und] [des Vorzeitigen Ruckzahlungsbetrags] verschoben.

Wenn die Marktstorung auch nach diesem Tag fortbesteht, gilt fur die Berechnung des Ruckzahlungsbetrags[,] [und] des Zinsbetrags/der Zinsbetrage [und] [des Optionalen Ruckzahlungsbetrags] [und] [des Vorzeitigen Ruckzahlungsbetrags] der letzte ermittelbare Wechselkurs vor Eintritt der Marktstorung.

Fur den Fall, dass einer der Kassakurse vom jeweiligen Fixing Sponsor nicht langer festgestellt und veroffentlicht wird, sondern dies durch eine andere Person, Gesellschaft oder Einrichtung (der "**Ersatz-Fixing Sponsor**") geschieht, kann die Emittentin den Ruckzahlungsbetrag[,] [und] den Zinsbetrag/die Zinsbetrage [und] [den Optionalen Ruckzahlungsbetrag] [und] [den Vorzeitigen Ruckzahlungsbetrag] 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 Hypothekendarlehenpfandbriefe (der "**Zahltag**") auf einen Tag, der kein Bankarbeitstag ist, dann:

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

haben die Hypothekendarlehenpfandbriefgläubiger keinen Anspruch auf jegliche Zahlung vor dem nachfolgenden Bankarbeitstag.]

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

haben die Hypothekendarlehenpfandbriefgläubiger 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 Hypothekendarlehennehmer 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 Hypothekendarlehennehmer. Die Zahlung an das Clearingsystem befreit die Emittentin in Höhe der Zahlung von ihren Verbindlichkeiten aus den Hypothekendarlehen.
- (4) Sofern die Emittentin Zahlungen unter den Hypothekendarlehen bei Fälligkeit nicht leistet, wird der fällige Betrag auf Basis des gesetzlich festgelegten Satzes für Verzugszinsen<sup>9</sup> 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 Hypothekendarlehen, 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 § 11 mitzuteilen.

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

<sup>9</sup> 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.

[(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 § 11 mitzuteilen.

[(3)][4] Die Hauptzahlstelle [und die Zahlstelle[n]] [und die Berechnungsstelle] [handelt][handeln] im Zusammenhang mit den Hypothekendarlehen ausschließlich als Erfüllungsgehilfen der Emittentin, [übernimmt][übernehmen] keine Verpflichtungen gegenüber den Hypothekendarlehensgläubigern 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.

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

## § 6 (Steuern)

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

(1) Zahlungen auf die Hypothekendarlehen 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 abzugeben.

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

(1) Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Hypothekendarlehen 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 Hypothekendarlehen 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 Hypothekendarlehen zustehen würden, mit der Ausnahme, dass keine solchen zusätzlichen Beträge für Hypothekendarlehen gezahlt werden:

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

(b) deren Inhaber für solche Steuern oder Abgaben in Bezug auf diesen Hypothekendarlehen aufgrund seiner (über die bloße Inhaberschaft des Hypothekendarlehens 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 den Hypothekendarlehen an diesem dreißigsten Tag zur Zahlung vorgelegt hätte, vorausgesetzt dieser Tag wäre ein Zahlungstag (wie in § 4 Abs. [2][3] definiert) gewesen.

- (2) 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.
- (3) Für die Zwecke dieser Hypothekpfandbriefbedingungen 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 Hypothekpfandbriefgläubiger ordnungsgemäß in Übereinstimmung mit § 11 davon verständigt wurden, dass der volle zu zahlende Betrag erhalten wurde.]

## § 7 (Rang)

- (1) Unbeachtlich § 15 handelt es sich bei den Hypothekpfandbriefen um gemäß §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes begebene Hypothekpfandbriefe (*hypoteční zástavní listy*).
- (2) Die Hypothekpfandbriefe verbrieften direkte, unbedingte, nicht nachrangige und unbesicherte Verbindlichkeiten der Emittentin und sind gleichrangig sowohl untereinander als auch bezüglich aller anderen von der Emittentin begebenen Tschechischen Hypothekpfandbriefe, 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 Hypothekpfandbriefen gleichrangig gestellt wurden. Obschon die Hypothekpfandbriefe unbesicherte Verbindlichkeiten der Emittentin darstellen, sind im Falle eines etwaigen gegen die Emittentin geführten Insolvenzverfahrens besondere Regeln für die Verbindlichkeiten anwendbar, die sich aus solchen von der Emittentin begebenen ausstehenden Tschechischen Hypothekpfandbriefen ergeben.
- (3) Für die Zwecke dieser Hypothekpfandbriefbedingungen haben die folgenden Begriffe die ihnen nachstehend zugeordnete Bedeutung:

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

(a) für jedes CRR-Wohnhypothekendarlehen den jeweils niedrigeren Wert der folgenden Größen:

- (i) den ausstehenden Nennwert des CRR-Wohnhypothekendarlehens;
- (ii) 80 % des Werts der Beliehenen Immobilie bezüglich dieses CRR-Wohnhypothekendarlehens; und
- (iii) den Eingetragenen Nennwert dieses CRR Wohnhypothekendarlehens;

(b) für jedes CRR-Gewerbliche-Hypothekendarlehen den jeweils niedrigeren Wert der folgenden Größen:

- (i) den ausstehenden Nennwert des CRR-Gewerblichen Hypothekendarlehens;
- (ii) 60 % des Werts der Beliehenen Immobilie bezüglich dieses CRR-Gewerblichen Hypothekendarlehens; und

- (iii) den Eingetragenen Nennwert dieses CRR-Gewerblichen Hypothekendarlehens;
- (c) für jedes Hypothekendarlehen gemäß SchVG-cz den jeweils niedrigeren Wert der folgenden Größen:
  - (i) den ausstehenden Nennwert des Hypothekendarlehens gemäß SchVG-cz;
  - (ii) den Wert der Beliehenen Immobilie bezüglich dieses Hypothekendarlehens gemäß SchVG-cz; und
  - (iii) den Eingetragenen Nennwert dieses Hypothekendarlehens gemäß SchVG-cz
- (d) für jede PSB-Forderung und -Risikoposition: deren ausstehenden Nennwert;
- (e) für Bargeld: den ausstehenden Nennwert; und
- (f) für jedes Derivat: dessen tatsächlichen Wert gemäß anwendbarem Recht.

"**Sonderaufsichtsvertrag**" bezeichnet den Sonderaufsichtsvertrag vom 15. Dezember 2020 zwischen der Emittentin als Emittent und Deloitte Audit s.r.o. als Sonderaufseher (der "**Sonderaufseher**").

"**Sonderaufsichtsberechnungstag**" bezeichnet:

- (a) den Ersten Sonderaufsichtsberechnungstag; und
- (b) nach dem den Ersten Sonderaufsichtsberechnungstag:
  - (i) soweit kein fortbestehender Kündigungsgrund vorliegt: den Ersten Sonderaufsichtsberechnungstag und das Datum seiner alljährlichen Wiederkehr; und
  - (ii) nach Eintreten eines Kündigungsgrundes: jedes Monatliche Datum, das einen Kalendermonat oder später nach dem ersten Eintreten des Kündigungsgrundes folgt, solange dieser fortbesteht.

"**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.

"**Geschäftstag**" 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.

"**Bargeld**" bezeichnet Bargeldforderungen der Emittentin gemäß § 31 Abs. 2 d) des Tschechischen Schuldverschreibungsgesetzes.

"**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.

"**Deckungsaktiva**" bezeichnet die im Deckungsregister eingestellten Deckungsaktiva, die den Gesetzlichen Auswahlkriterien und den Vertraglichen Auswahlkriterien (falls zutreffend für die jeweiligen Deckungsaktiva) genügen.

"**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 Hypothekenpfandbriefbedingungen festgelegt sind, und die Verbindlichkeiten der Emittentin decken sollen, welche sich aus den Tschechischen Hypotheken-pfandbriefen 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.

"**CRR-Gewerbliches-Hypothekendarlehen**" bezeichnet das CRR-Hypothekendarlehen, das durch die Beliehene Immobilie, die eine gewerblich genutzte Immobilie im Sinne der CRR ist, besichert ist.

"**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.

"**CRR-Wohnhypothekendarlehen**" bezeichnet das CRR-Hypothekendarlehen, das durch die Beliehene Immobilie, die eine Wohnimmobilie gemäß Artikel 4 Abs. 75 der CRR ist, besichert ist.

"**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.

"**PSB-Forderungen gemäß SchVG-cz**" bezeichnet die in § 31 Abs. 2 b) und c) des Tschechischen Schuldverschreibungsgesetzes genannten Forderungen.

"**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 Hypothekenpfandbriefe**" bezeichnet alle Instrumente und Wertpapiere, die von der Emittentin in der Form von Hypothekenpfandbriefen (*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 Hypothekenpfandbriefe), im Rahmen der Pfandbriefprogramme der Emittentin, 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.



"**Tschechisches Liegenschaftskataster**" " bezeichnet das tschechische Liegenschaftskataster (*katastr nemovitosti*), das gemäß Gesetz Nr. 256/2013 Slg. über das Liegenschaftskataster, in der jeweils gültigen Fassung.

"**Dealer**" bezeichnet Raiffeisen Bank International, Raiffeisen Bank 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 Dealer Agreement vom 15. Dezember 2020 zwischen der Emittentin, Raiffeisen Bank International als Arrangeur und Dealer, und Raiffeisen Bank a.s. als Dealer.

"**Schulden**" bezeichnet alle Schulden, die durch die Deckungsmasse gedeckt sind zu Zwecken der in Artikel 28a Abs. 1 und 2 des Tschechischen Schuldverschreibungsgesetzes dargelegten Gesetzlichen Tests.

"**Verzug**" bezeichnet einen Verzug in Bezug auf den Darlehensnehmer unter dem Hypothekendarlehen gemäß Artikel 178 der CRR.

"**Notleidendes Darlehen**" " bezeichnet ein in der Deckungsmasse enthaltenes Hypothekendarlehen bezüglich dessen ein Verzug eingetreten ist und weiterhin besteht.

"**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;

"**Englischrechtliches Hypothekendarlehenprogramm**" " bezeichnet das inaktive EUR 5.000.000.000 internationale Hypothekendarlehenprogramm mit ausstehenden Hypothekendarlehen nach Tschechischem Recht, welche die Anforderungen der §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes und die Verordnung Nr. der CNB Nr. No. 164/2014 Slg. der CNB erfüllen (und damit unter die Definition der Tschechischen Hypothekendarlehenprogramme fallen).

"**Erster Sonderaufsichtsberechnungstag**" " bezeichnet den 30. September 2020;

"**Ausgabetag**" bezeichnet einen Tag, an dem die Emittentin Hypothekendarlehenprogramme unter dem Programm begibt;

"**Ausgabe- und Zahlstellenvertrag**" bezeichnet den Vertrag über die Ausgabe- und Zahlstelle vom 15. Dezember 2020 zwischen der Emittentin und Citibank, N.A., London Branch als der Hauptzahlstelle.

"**Pfandbriefprogramme der Emittentin**" bezeichnet sowohl das Englischrechtliche Hypothekendarlehenprogramm und Lokale Pfandbriefprogramme.

"**Lokales Pfandbriefprogramm**" bezeichnet das inaktive CZK 50.000.000.000 Programm für Inlandspfandbriefe zur Begebung von: (i) Hypothekendarlehen nach Tschechischem Recht, welche die Anforderungen der §§ 28 ff. in Teil 2, Kapitel III des Tschechischen Schuldverschreibungsgesetzes und die Frühere CNB-Verordnung erfüllen (und damit unter die Definition der Tschechischen Hypothekendarlehenprogramme fallen); und (ii) sonstige nach Tschechischem Recht begebene Pfandbriefe gemäß Tschechischem Schuldverschreibungsgesetz.

"**LTV-Quote**" bezeichnet das prozentuale Verhältnis des Nennwerts der Forderungen der Emittentin aus einem Hypothekendarlehen geteilt durch den Wert der Beliehenen Immobilie der maßgeblichen Beliehenen Immobilie, die dieses Hypothekendarlehen besichert.

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

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

"**Beliehene Immobilie**" bezeichnet in Bezug auf ein beliebiges Hypothekendarlehen die zur Besicherung des Hypothekendarlehens verpfändete Immobilie, in Bezug auf die alle maßgeblichen geltenden Gesetze erfüllt sind..

"**Wert der Beliehenen Immobilie**" bezeichnet den Gesamtwert der Beliehenen Immobilie, der von der Emittentin im Einklang mit den anzuwendenden Gesetzen (einschließlich dem Tschechisches Vermögensbewertungsgesetz) und mit den internen Regelungen der Emittentin für die Bewertung Beliehener Immobilien bestimmt wurde.

"**Nennwert**" bezeichnet die Summe der ausstehenden Hauptforderungen in Bezug auf die Tschechischen Hypothekendarlehen (derselben Deckungsmasse), Hypothekendarlehen oder andere Schulden oder Sicherheiten.

"**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 € 5.000.000.000 Programm der Emittentin für die Begebung von Hypothekendarlehen.

"**PSB-Forderungen und -Risikopositionen**" bezeichnet die CRR PSB-Forderungen und die PSB-Forderungen gemäß SchVG-cz.

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

"**Eingetragener Nennwert**" bezeichnet den Teil des Nennwerts eines Hypothekendarlehens, der im Deckungsregister gemäß Artikel 3 Abs. 2 (g) der CNB-Verordnung zu Zwecken der Übereinstimmung mit Artikel 28a des Tschechischen Schuldverschreibungsgesetzes eingetragen ist.

"**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.

"**Staatliche Subvention**" bezeichnet jede Subvention oder ähnliche Leistung im Sinne der Verordnung Nr. 249/2002 Slg. der tschechischen Regierung über Bedingungen der Gewährung von Subventionen in Bezug auf Hypothekendarlehen für Personen unter 36 Jahren, in der jeweils gültigen Fassung, und Verordnung Nr. 244/1995 Slg. der tschechischen Regierung über Bedingungen der Gewährung von finanziellen Subventionen in Bezug auf Hypothekendarlehen für Wohnbauentwicklung, in der jeweils gültigen Fassung, oder jede Subvention oder Leistung ähnlicher Art, die nach dem Datum des Basisprospekts eingeführt werden können; zur Klarstellung: die Definition der Staatlichen Subvention umfasst keine Steuervergünstigungen.

"**Gesetzliche Tests**" bezeichnet alle vom Tschechischen Schuldverschreibungsgesetz für die Emittentin vorgeschriebenen Tests (einschließlich der in § 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 § 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 Hypothekendarlehenpfandbriefbedingungen;
  - (b) die relevante Fassung der Endgültigen Bedingungen;
  - (c) das Dealer Agreement; und
  - (d) den Ausgabe- und Zahlstellenvertrag.
- (4) Soweit sich aus dem Kontext nichts Gegenteiliges ergibt, gilt, dass eine Bezugnahme in diesen Hypothekendarlehenpfandbriefbedingungen:
- (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.
- (5) Zur Klarstellung: Die Emittentin ist berechtigt, in Zukunft zusätzliche Deckungsmassen bezüglich der Tschechischen Hypothekendarlehenpfandbriefe zu bilden. Ist dies der Fall, so bleiben die zum jeweiligen Zeitpunkt ausstehenden Hypothekendarlehenpfandbriefe 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 % aller Schulden beträgt (der **"Vertragliche Deckungstest"**). In Bezug auf den Vertraglichen Deckungstest wird, unter Vorbehalt des anwendbaren Rechts, jeder Betrag (i) sofern er auf eine andere Währung als die Tschechische Krone lautet, im entsprechenden Gegenwert der Tschechischen Kronen, der unter Anwendung des Maßgeblichen Wechselkurses für solche Beträge am

maßgeblichen Datum ermittelt wird; und (ii) sofern der Betrag auf Tschechische Kronen lautet, im entsprechenden Betrag in Tschechischen Kronen berechnet.

- (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 Hypothekendarlehenpfandbriefe begeben, die aus der Deckungsmasse Nutzen ziehen.
- (4) Die Emittentin verpflichtet sich, der Ratingagentur (bzw. einer anderen Ratingagentur, die eine Bewertung für die Hypothekendarlehenpfandbriefe 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 in Bezug auf in der Deckungsmasse enthaltene Deckungsaktiva erfüllt (zusammen die "**Vertraglichen Auswahlkriterien**"):
  - (a) die Hypothekendarlehen unterliegen tschechischem Recht;
  - (b) die Hypothekendarlehen sind vollständig ausgezahlt, und der betreffende Darlehensnehmer hat kein Recht oder keinen Anspruch auf einen zusätzlichen Vorschuss der Emittentin;
  - (c) die Hypothekendarlehen sahen zum Zeitpunkt der Auszahlung keine Staatliche Subvention in Bezug auf den Nennbetrag oder Zinsen vor;
  - (d) die Beliehene Immobilie ist eine Immobilie, die vollständig errichtet wurde, wie ein Auszug aus dem tschechischen Immobilienregister belegt;
  - (e) die Beliehene Immobilie befindet sich in der Tschechischen Republik
  - (f) die Hypothekendarlehen sind keine Notleidenden Darlehen;
  - (g) bei den Hypothekendarlehen ist die maximale Höhe der besicherten Forderungen der Emittentin mindestens gleich dem eingetragenen Nennwert dieses Hypothekendarlehens;
  - (h) die LTV-Quote des CRR-Wohnhypothekendarlehens beträgt nicht mehr als 80 % und wenn diese Schwelle überschritten wird, wird der Teil des Nennwerts dieses CRR-Wohnhypothekendarlehens, der die LTV-Quote von 80 % überschreitet, zu Zwecken des Gesetzlichen Tests und des Vertraglichen Deckungstests nicht berücksichtigt;
  - (i) die LTV-Quote des CRR-Wohnhypothekendarlehens beträgt nicht mehr als 60 % und wenn diese Schwelle überschritten wird, wird der Teil des Nennwerts dieses CRR-Wohnhypothekendarlehens, der die LTV-Quote von 60 % überschreitet, zu Zwecken des Gesetzlichen Tests und des Vertraglichen Deckungstests nicht berücksichtigt;
  - (j) der Darlehensnehmer unter dem Hypothekendarlehen hat mindestens eine Ratenzahlung geleistet;
  - (k) sämtliche vom jeweiligen Darlehensnehmer zahlbaren Hypothekendarlehen lauten auf Tschechische Kronen (oder eine andere Währung, die die Tschechische Krone als offizielle gesetzliche Währung in der Tschechischen Republik ab dem Zeitpunkt einer solchen Ersetzung ersetzen kann);
  - (l) der Nennwert der Hypothekendarlehen, die den Mitarbeitern der Emittentin gewährt werden, beträgt nicht mehr als 5 % des Nennwerts der Hypothekendarlehen, die in der Deckungsmasse enthalten ist; und
  - (m) die Deckungsmasse enthält keine Asset-Backed Securities.

In Bezug auf die vertraglichen Auswahlkriterien wird, unter Vorbehalt des anwendbaren Rechts, jeder Betrag (i) sofern er auf eine andere Wahrung als die Tschechische Krone lautet, im entsprechenden Gegenwert der Tschechischen Kronen, der unter Anwendung des mageblichen Wechselkurses fur solche Betrage am mageblichen Datum ermittelt wird; und (ii) sofern der Betrag auf Tschechische Kronen lautet, im entsprechenden Betrag in Tschechischen Kronen berechnet.

- (6) Die Emittentin verpflichtet sich auerdem fur den gesamten Zeitraum, zu dem irgendwelche der Hypothekenpfandbriefe ausstehen:
- (a) die Hypothekenpfandbriefglaubiger (im Einklang mit § 11) und die Hauptzahlstelle unverzuglich vom Eintreten jeglichen Kundigungsgrundes in Kenntnis zu setzen;
  - (b) ihren Sitz in der Tschechischen Republik und ihre Bankenlizenz gema dem Tschechischen Bankengesetz aufrechtzuerhalten, sowie samtliche weiteren Zulassungen und Registrierungen, die fur das Programm gema den Gesetzen und Vorschriften der Tschechischen Republik erforderlich sind (was uneingeschrankt das Tschechische Bankengesetz, das Tschechische Schuldverschreibungsgesetz, das Tschechische Kapitalmarktgesetz und das Tschechische Kapitalmarktaufsichtsgesetz einschliet), und der CNB samtliche Dokumente zur Verfugung zu stellen, die fur die Aufrechterhaltung der Zulassungen und Registrierungen erforderlich sind;
  - (c) in allen wesentlichen Aspekten ihre samtlichen Pflichten gema den Gesetzen und Vorschriften der Tschechischen Republik (was uneingeschrankt das Tschechische Bankengesetz, das Tschechische Schuldverschreibungsgesetz, das Tschechische Kapitalmarktgesetz und das Tschechische Kapitalmarktaufsichtsgesetz einschliet) dann und so einzuhalten, wenn und wie gema dieser Rechtsvorschriften erforderlich; insbesondere hat die Emittentin in allen wesentlichen Aspekten ihre samtlichen Pflichten gema der CNB-Verordnung und anderen Durchfuhrungsvorschriften zum Tschechischen Schuldverschreibungsgesetz bezuglich der Hypothekenpfandbriefe einzuhalten, was uneingeschrankt ihre Verpflichtungen betreffend die Fuhrung des Deckungsregisters und samtliche weiteren Dauerpflichten der Emittentin betreffend die Tschechischen Hypothekenpfandbriefe und die Deckungsmasse einschliet;
  - (d) in englischer Sprache samtliche Berichte und mit Bestatigungsvermerk versehenen gepruften Jahresabschlusse fur das jeweilige Geschaftsjahr/die jeweilige Rechnungsperiode zu veroffentlichen, die die Bilanz und die Gewinn- und Verlustrechnung enthalten sollen, sowie samtliche weiteren an Glaubiger der Emittentin ergehenden Mitteilungen, Erklarungen oder Rundschreiben, und zwar jeweils sobald als moglich nach dem Erscheinungsdatum, jedenfalls aber innerhalb von 180 Tagen nach dem Bilanzstichtag der Emittentin;
  - (e) zum Zeitpunkt der Veroffentlichung des Geschäftsberichts und des Jahresabschlusses gema vorstehendem Buchstaben (f) eine von zwei Zeichnungsberechtigten der Emittenten unterschriebene Bescheinigung zu veroffentlichen, wonach nach bestem Wissen und Gewissen der Emittentin Folgendes der Fall ist: (a) wahrend des Zeitraums zwischen dem Abgabedatum der letzten Bescheinigung (bzw., im Falle der ersten solchen Bescheinigung, dem Datum dieser Hypothekenpfandbriefbedingungen) und dem Datum der Abgabe der aktuellen Bescheinigung ist die Emittentin ihren wesentlichen Verpflichtungen gema diesen Hypothekenpfandbriefbedingungen, dem Ausgabe- und Zahlstellenvertrag und den ubrigen Transaktionsdokumenten nachgekommen (und falls dies nicht der Fall ist, macht die Emittentin detaillierte Angaben zu den Umstanden dieser Nichteinhaltung der Verpflichtungen), und (b) unbeschadet der Allgemeingultigkeit dieses Buchstabens (g) und des vorstehenden Buchstabens (f) lag zu einem Zeitpunkt von nicht mehr als 10 Tagen vor Zustellung der Bescheinigung kein Kundigungsgrund bzw. Potenzieller Kundigungsgrund vor (und falls ein solcher Kundigungsgrund bzw. Potenzieller Kundigungsgrund vorliegt, macht die Emittentin detaillierte Angaben zu selbigem);
  - (f) jeden Hypothekenpfandbriefglaubiger auf dessen schriftlichen Wunsch hin mit samtlichen Berichten zu versorgen, die vom Sonderaufseher gema dem Sonderaufsichtsvertrag erstellt wurden;
  - (g) keine der Bedingungen des Sonderaufsichtsvertrags anzupassen, zu andern, zu erneuern, zu erganzen 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 Hypothekendarlehnnehmer nicht wesentlich entgegenstehen.

## § 9 (Kündigungsgründe)

- (1) Jeder Hypothekendarlehnnehmer ist berechtigt, seine Hypothekendarlehnbriefe sofort fällig zu stellen und deren unverzügliche Rückzahlung zum Vorzeitigen Rückzahlungsbetrag zu verlangen, falls eines oder mehrere der folgenden Ereignisse (jeweils ein "**Kündigungsgrund**") eintreten und andauern:
- (a) Nichterfüllung irgendwelcher Zahlungsverpflichtungen der Emittentin gemäß bzw. im Zusammenhang mit den Hypothekendarlehnbriefen für einen Zeitraum von mehr als 10 (zehn) Bankarbeitstagen ab dem Tag der Fälligkeit dieser Zahlungsverpflichtungen; oder
  - (b) Die Emittentin erfüllt die gesetzlichen Tests für einen Zeitraum von mehr als drei Monaten nicht.
- Das Recht zur Fälligkeitstellung der Hypothekendarlehnbriefe erlischt, falls der fragliche Kündigungsgrund behoben wurde, bevor es zur Ausübung des Rechts kam.
- (2) Die Mitteilung der Fälligkeitstellung von Hypothekendarlehnbriefen gemäß vorstehendem Abs. 1 soll in Textform seitens des Hypothekendarlehnnehmers an die Hauptzahlstelle erfolgen, die persönlich oder per Einschreiben zuzustellen ist und einen hinreichend stichhaltigen Nachweis enthalten muss, dass der Hypothekendarlehnnehmer zum Zeitpunkt der Mitteilung Inhaber der relevanten Hypothekendarlehnbriefe ist. Die Hypothekendarlehnbriefe 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 (Zusätzliche Pflichten der Emittentin zum Vorteil der Hypothekendarlehnnehmer)

Falls eines oder mehrere der folgenden Ereignisse (jeweils ein "**Emissions-Einstellungs-Ereignis**") eintritt bzw. eintreten und andauert bzw. andauern:

- (a) 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 Hypothekendarlehnnehmers 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); unter "**Wesentlichen Verpflichtungen**" sind jegliche wesentliche Verpflichtungen der Emittentin gemäß den Hypothekendarlehnbriefbedingungen und gemäß Sonderaufsichtsvertrag zu verstehen;
- (b) ein Verstoß gegen den vertraglichen Deckungstet in Bezug auf die Deckungsmasse;
- (c) die Emittentin (i) ist nicht mehr als Bank zugelassen; (ii) ist nicht mehr befugt, Hypothekendarlehnbriefe (*hypoteční zástavní listy*) auszugeben; oder (iii) hat ihre Geschäftstätigkeit oder ihre Tätigkeit als Bank im Wesentlichen vollständig eingestellt oder eine Einstellung steht möglicherweise bevor; oder
- (d) (i) die Emittentin (1) ist überschuldet (*předlužen*), (2) ist nicht in der Lage, ihre Schulden bei Fälligkeit zu begleichen (*platebně neschopný*) oder (3) befindet sich in einer Situation drohender Zahlungsunfähigkeit (*hrozící úpadek*) gemäß der Tschechischen Insolvenzordnung; (ii) es wird eine gesellschaftsrechtliche Maßnahme, ein Gerichtsverfahren oder ein anderes Verfahren oder

eine andere Maßnahme in Bezug auf (1) die Aussetzung von Zahlungen oder ein Moratorium für jegliche Verschuldung der Emittentin unternommen; (2) Konkurs (*úpadek*) oder Entlastung (*oddluženi*) der Emittentin; oder (3) eine Reorganisation (*reorganizace*) oder einen ähnlichen Vergleich mit einem Gläubiger der Emittentin gemäß Tschechischen Insolvenzordnung, es sei denn, der Antrag auf Einleitung eines solchen Verfahrens wird in gutem Glauben angefochten und innerhalb von 30 Kalendertagen nach dieser Einleitung erledigt, ausgesetzt oder abgewiesen; (iii) ein Verwalter, Konkursverwalter, Zwangsverwalter, Liquidator oder ein ähnliches Organ der Emittentin oder im wesentlichen das gesamte Unternehmen, Vermögen und Einkommen der Emittentin wird bestellt; oder (iv) die Emittentin ergreift eine Maßnahme zur Neuregelung oder Stundung im Wesentlichen aller ihrer Verpflichtungen oder nimmt eine allgemeine Abtretung oder einen Vergleich mit ihren Gläubigern oder zu ihren Gunsten im allgemeinen vor oder erklärt ein Moratorium in Bezug auf ihre gesamte Verschuldung oder Garantien im Allgemeinen für eine von ihr gegebene Verschuldung,

und sofern Hypothekenpfandbriefe dann ausstehend sind, darf die Emittentin keine Tschechischen Hypothekenpfandbriefe begeben, die aus der Deckungsmasse Nutzen ziehen.

## **§ 11 (Mitteilungen)**

*[Im Fall von börsennotierten Hypothekenpfandbriefen 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 Hypothekenpfandbriefe 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 Hypothekenpfandbriefe 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 Hypothekenpfandbriefen einfügen:*

Die Emittentin übermittelt alle Mitteilungen in Bezug auf die Hypothekenpfandbriefe dem Clearingsystem zur Weiterleitung durch das Clearingsystem an die Hypothekenpfandbriefgläubiger. 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 Hypothekendarfandbriefgläubiger bewirkt.]

*[Im Fall von börsennotierten Hypothekendarfandbriefen einfügen:*

Anstelle der in Absatz (1) erwähnten Veröffentlichung in einem Börsenpflichtblatt darf die Emittentin die jeweilige Mitteilung an das Clearingsystem zur Weiterleitung an die Hypothekendarfandbriefgläubiger übermitteln, sofern das Regelwerk der Börse, an der die Hypothekendarfandbriefe 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 Hypothekendarfandbriefgläubiger 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.]]*

## § 12

### (Rückerwerb)

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

## § 13

### (Vorlegungsfrist)

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

## § 14

### (Teilunwirksamkeit)

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

## § 15

### (Anwendbares Recht, Gerichtsstand[, Sprache])

- (1) Form und Inhalt der Hypothekendarfandbriefe sowie die Rechte und Pflichten der Emittentin und der Hypothekendarfandbriefgläubiger unterliegen dem Recht der Bundesrepublik Deutschland.
- (2) Obschon die Hypothekendarfandbriefe 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 Hypothekendarfandbriefe anwendbar oder anderweitig für diese von Relevanz sind. Deshalb müssen die Hypothekendarfandbriefe 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 Hypothekendarlehenpfandbriefe und die Deckungsmasse.

- (3) Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den in diesen Hypothekendarlehenpfandbriefbedingungen geregelten Angelegenheiten ist, soweit gesetzlich zulässig, Frankfurt am Main.

*[Nur einfügen, falls die Anleihebedingungen nicht ausschließlich in deutscher Sprache abgefasst sind:]*

- (4) *[Falls nicht-bindende englische Übersetzung beigelegt wird, einfügen:]* Diese Hypothekendarlehenpfandbriefbedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigelegt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.]]

*[Falls nicht-bindende deutsche Übersetzung beigelegt wird, einfügen:]* Diese Hypothekendarlehenpfandbriefbedingungen sind in englischer Sprache abgefasst. Eine Übersetzung in die deutsche Sprache ist beigelegt. Der englische Text ist bindend und maßgeblich. Die Übersetzung in die deutsche Sprache ist unverbindlich.]]

## § 16

### (Änderungen der Hypothekendarlehenpfandbriefbedingungen)

- (1) §§ 5 ff. des (bundesdeutschen) Gesetzes über Schuldverschreibungen aus Gesamtemissionen ("SchVG") finden auf die Hypothekendarlehenpfandbriefe Anwendung. Von daher ist die Emittentin berechtigt, diese Hypothekendarlehenpfandbriefbedingungen mit der im Wege eines Mehrheitsbeschlusses erteilten Einwilligung der Hypothekendarlehenpfandbriefgläubiger zu ändern.
- (2) Die Hypothekendarlehenpfandbriefgläubiger 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 Hypothekendarlehenpfandbriefen ergebenden Forderungen in einem gegen die Emittentin geführten Insolvenzverfahren;
  - (e) die Umwandlung bzw. der Austausch der Hypothekendarlehenpfandbriefe gegen Aktien oder andere Wertpapiere oder Obligationen;
  - (f) Wechsel bzw. Freigabe von Sicherheiten;
  - (g) Änderung der Währung der Hypothekendarlehenpfandbriefe;
  - (h) Verzicht auf bzw. Einschränkung der Kündigungsrechte, die sich für die Hypothekendarlehenpfandbriefgläubiger aus den Hypothekendarlehenpfandbriefen ergeben;
  - (i) Änderung oder Aufhebung von Nebenbestimmungen der Hypothekendarlehenpfandbriefe; und
  - (j) Bestellung oder Abberufung eines gemeinsamen Vertreters für die Hypothekendarlehenpfandbriefgläubiger.

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

- (3) Gemäß § 18 SchVG verabschieden die Hypothekendarlehenpfandbriefgläubiger ihre Beschlüsse im Wege einer Abstimmung [ohne persönliche Zusammenkunft] [im Rahmen einer persönlichen Zusammenkunft].

Die Versammlung der Hypothekendarfbriefgläubiger 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 Hypothekendarfbriefgläubiger einberufen werden muss, falls Hypothekendarfbriefgläubiger, die zusammen Hypothekendarfbriefe in einem Wert von 5 % des ausstehenden Kapitalbetrags der Hypothekendarfbriefe schriftlich hierum nachsuchen, unter Benennung einer der in § 9 Abs. 1 erster Satz SchVG aufgeführten Gründe.

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

Für die Verabschiedung von Beschlüssen in den Fällen gemäß § 16 Abs. 2 (a) bis (i) bedarf es einer Mehrheit von mindestens 75 % der Stimmen der stimmberechtigten Hypothekendarfbriefgläubiger.

- (5) Die an der Abstimmung teilnehmenden Hypothekendarfbriefgläubiger geben ihre Stimmen gemäß der Höhe des Kapitalbetrags bzw. ihres rechnerischen Anteils an den ausstehenden Hypothekendarfbriefen ab. Solange die Berechtigung aus den Hypothekendarfbriefen 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 Hypothekendarfbriefe. Die Emittentin ist nicht berechtigt, die mit solchen ruhenden Stimmrechten verbundenen Hypothekendarfbriefe 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 Hypothekendarfbriefgläubiger verbindlich. Beschlüsse, die nicht für identische Bedingungen für alle Hypothekendarfbriefgläubiger sorgen, sind nichtig, es sei denn, die benachteiligten Hypothekendarfbriefgläubiger haben dieser nachteiligen Behandlung ausdrücklich zugestimmt.
- (7) Hypothekendarfbriefgläubiger 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 Hypothekendarfbriefgläubigers bezeichnen;
- (b) den Gesamtkapitalbetrag der Hypothekendarfbriefe 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 Hypothekendarfbriefgläubiger ein Wertpapierkonto betreffend die Hypothekendarfbriefe unterhält, einschließlich des Clearingsystems.

- (8) Die Hypothekendarfbriefgläubiger können im Wege eines Mehrheitsbeschlusses einen gemeinsamen Vertreter (den "**Gemeinsamen Vertreter**") bestellen, der dann die Rechte der Hypothekendarfbriefgläubiger namens jedes einzelnen Hypothekendarfbriefgläubigers 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 Hypothekendarlehen 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 Hypothekendarlehensgläubigern 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 Hypothekendarlehensgläubiger unverzüglich in angemessener Form hiervon unterrichten.

- (9) Dem Gemeinsamen Vertreter kommen die Pflichten und Kompetenzen zu, die ihm das Gesetz oder die Hypothekendarlehenpfandbriefgläubiger per Mehrheitsbeschluss einräumen. Der Gemeinsame Vertreter hat sich nach den Weisungen der Hypothekendarlehenpfandbriefgläubiger zu richten. Insoweit als der Gemeinsame Vertreter bevollmächtigt wurde, bestimmte Rechte der Hypothekendarlehenpfandbriefgläubiger geltend zu machen, sind die Hypothekendarlehenpfandbriefgläubiger nicht berechtigt, diese Rechte selbst in Anspruch zu nehmen, es sei denn, der betreffende Mehrheitsbeschluss sieht dies ausdrücklich vor. Der Gemeinsame Vertreter hat den Hypothekendarlehenpfandbriefgläubigern Bericht über seine Tätigkeiten zu erstatten.
- (10) Der Gemeinsame Vertreter haftet den Hypothekendarlehenpfandbriefgläubigern 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 Hypothekendarlehenpfandbriefgläubiger eine Beschränkung der Haftung des Gemeinsamen Vertreters vorsieht, einfügen: Die Haftung des Gemeinsamen Vertreters kann im Wege eines von den Hypothekendarlehenpfandbriefgläubigern 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 Hypothekendarlehenpfandbriefgläubiger entscheiden über die Geltendmachung von Schadensersatzansprüchen seitens der Hypothekendarlehenpfandbriefgläubiger gegenüber dem Gemeinsamen Vertreter.
- (11) Der Gemeinsame Vertreter kann von den Hypothekendarlehenpfandbriefgläubigern 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 (*hypoteční zástavní listy*) (the "**Mortgage Covered Bonds**") of Raiffeisenbank 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:*

- (2) 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.]
- (3) Each Global Note will be kept in custody by or on behalf of a Clearing System. "**Clearing System**" means [Clearstream Banking S.A., Luxembourg ("**Clearstream, Luxembourg**") and Euroclear Bank SA/NV ("**Euroclear**")] [(Clearstream, Luxembourg and Euroclear are individually referred to as an "**ICSD**" (*International Central Securities Depository*) 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:*

- (4) The Mortgage Covered Bonds are issued in classical global note form and are kept in custody by a common depository 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:*

- (4) 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)

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].]*

- (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:

<b>Interest Payment Date</b>	<b>Interest Rate</b>
[ <i>first Interest Payment Date</i> ]	[ <i>interest rate</i> ]
[ <i>For each further Interest Payment Date, insert: [insert Interest Payment Date]</i> ]	[ <i>interest rate</i> ]
Maturity Date	[ <i>interest rate</i> ]

- (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, 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.]

*[In the case of 30/360 (ISDA) or 360/360 or Bond Basis, 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<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" 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<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30.]]

*[In the case of 30E/360 or Eurobond Basis, 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<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;



"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" 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<sub>2</sub> will be 30.]]

*[If 30E/360 (ISDA) (only, if ISDA 2006 Definitions shall be applicable) 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<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D<sub>1</sub>" 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<sub>1</sub> will be 30; and

"D<sub>2</sub>" 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<sub>2</sub> 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 § 11, 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 § 11, 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 *[If accrued interest will be paid separately, insert: 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)
<i>[insert Call Date(s)]</i>	<i>[insert Optional Redemption Amount(s) which may not be lower than the principal amount/issue price]</i>

*[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 § 11) 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 *[If accrued interest will be paid separately, insert: 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) *[If accrued interest will be paid separately, insert: 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)] *[If accrued interest will be paid separately, insert: 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 majeure 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<sup>10</sup>. 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 § 11.

[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 § 11.

- ([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.]

<sup>10</sup> 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.

[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 § 11.]

## § 7 (Status)

- (1) Notwithstanding § 15, the Mortgage Covered Bonds are mortgage covered bonds (*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 such 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) In these Terms and Conditions:



**"Adjusted Value"** means, unless required by the applicable laws otherwise, for:

- (a) each CRR Residential Mortgage Loan, the lower of:
  - (i) the outstanding Nominal Value of such CRR Residential Mortgage Loan;
  - (ii) 80 per cent. of the Mortgaged Property Value related to such CRR Residential Mortgage Loan; and
  - (iii) the Registered Nominal Value of such CRR Residential Mortgage Loan;
- (b) each CRR Commercial Mortgage Loan, the lower of:
  - (i) the outstanding Nominal Value of such CRR Commercial Mortgage Loan;
  - (ii) 60 per cent. of the Mortgaged Property Value related to such CRR Commercial Mortgage Loan; and
  - (iii) the Registered Nominal Value of such CRR Commercial Mortgage Loan.
- (c) each Czech Bonds Act Mortgage Loan the lower of:
  - (i) the outstanding Nominal Value of such Czech Bonds Act Mortgage Loan;
  - (ii) the Mortgaged Property Value related to such Czech Bonds Act Mortgage Loan; and
  - (iii) the Registered Nominal Value of such Czech Bonds Act Mortgage Loan.
- (d) each PSB's Receivables and Exposures its outstanding Nominal Value;
- (e) the Cash, its outstanding Nominal Value; and
- (f) each Derivative, its real value determined pursuant to the applicable law, provided that if such real value is negative, it shall be deemed to be 0 (zero).

**"Asset Monitor Agreement"** means the asset monitor agreement dated 15 December 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 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.

**"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.

**"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 (*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.

"**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 Commercial Mortgage Loan**" means the CRR Mortgage Loan secured by the Mortgaged Property that is a commercial immovable property within the meaning of the CRR.

"**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.

"**CRR Residential Mortgage Loan**" means the CRR Mortgage Loan secured by the Mortgaged Property that is a residential property pursuant to Article 4(75) 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 Bonds Act PSB's Receivables**" means receivables set out in Section 31(2)(b) and (c) 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 (*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 Issuer's Bond Programmes, 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.

"**Czech Real Estate Register**" means the Czech real estate register (*katastr nemovitostí*) kept pursuant to Act No. 256/2013 Coll., on the real estate register, as amended.

"**Dealer**" means Raiffeisen Bank International, Raiffeisen Bank 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 dealer agreement dated 15 December 2020 and entered into between the Issuer, Raiffeisen Bank International as arranger and dealer and Raiffeisen Bank a.s. as dealer.

"**Debts**" means all debts covered by the Cover Pool for the purposes of the Statutory Tests set out in Section 28a(1) and (2) of the Czech Bonds Act.

"**Default**" means a default in respect of the borrower under the Mortgage Loan pursuant to Article 178 of the CRR.

"**Defaulted Loan**" means any Mortgage Loan included in the Cover Pool in relation which a Default occurred and is continuing.

"**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.

"**English Law Mortgage Covered Bond Programme**" means inactive EUR 5,000,000,000 international covered 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. (and thus falling within the definition of the Czech Mortgage Covered Bonds).

"**First Asset Monitor Calculation Date**" means [30] September 2020.

"**Issue Date**" means a date on which the Issuer issues Mortgage Covered Bonds under the Programme;

"**Issuing and Paying Agency Agreement**" means the issuing and paying agency agreement dated 15 December 2020 between the Issuer as issuer and Citibank, N.A., London Branch as principal paying agent.

"**Issuer's Bond Programmes**" means both the English Law Mortgage Covered Bond Programme and the Local Bond Programmes.

"**Local Bond Programmes**" means inactive CZK 50,000,000,000 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 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.

"**LTV Ratio**" means the percentage ratio of the Nominal Value of receivables of the Issuer from a Mortgage Loan divided by the Mortgaged Property Value of the relevant Mortgaged Property securing such Mortgage Loan.

"**Monthly Date**" means the first day of each month (or if such day is not a Business Day, then the immediately following 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, in relation to which all the relevant applicable laws are fulfilled.

**"Mortgaged Property Value"** means the total value of all the Mortgaged Property as determined by the Issuer in accordance with applicable laws (including the Czech Property Valuation Act) and the Issuer's internal rules for valuation of the Mortgaged Property.

**"Nominal Value"** means the sum of the outstanding principal balances relating to the Czech Mortgage Covered Bonds (sharing the same Cover Pool), Mortgage Loans or any other debt or security as the case may be.

**"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 (*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 €5,000,000,000 Mortgage Covered Bond Programme of the Issuer.

**"PSB's Receivables and Exposures"** mean CRR PSB's Receivables and Czech Bonds Act PSB's Receivables.

**"Rating Agency"** means Moody's Investors Service España, S.A. and includes any successor to its rating business.

**"Registered Nominal Value"** means the part of the Nominal Value of a Mortgage Loan registered in the Cover Assets Register pursuant to Section 3(2)(g) of the CNB Decree for the purpose of compliance with Section 28a of the Czech Bonds Act;

**"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.

**"State Subsidy"** means any subsidy or similar benefit within the meaning of Czech Government Regulation No. 249/2002 Coll., on Conditions of the Provision of Subsidies in relation to Mortgage Loans Provided to Persons Under 36 Years of Age, as amended, and Czech Government Regulation No. 244/1995 Coll., on Conditions of the Provision of Financial Subsidies in relation to Mortgage Loans for Housing Development, as amended, or any subsidy or benefits having a similar nature that may be introduced into Czech law after the date of the Base Prospectus; for the avoidance of any doubt, the definition of State Subsidy shall not include any tax benefits.

**"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.
- (4) 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.
- (5) 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 all Debts (the "**Contractual Asset Cover Test**"). In relation to the Contractual Asset Cover Test, unless otherwise required by the applicable law, each amount shall be calculated (i) if denominated in a currency other than Czech Koruna, in the Czech Koruna equivalent of such amount ascertained using the Relevant Exchange Rate relating to such amounts as at the relevant date; and (ii) if denominated in Czech Koruna, in the applicable amount in Czech Koruna.
- (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 in relation to Cover Assets included in the Cover Pool (collectively the "**Contractual Eligibility Criteria**"):
- (a) the Mortgage Loans are governed by Czech law;
  - (b) the Mortgage Loans are fully disbursed and the relevant borrower does not have a right or entitlement to any additional advance from the Issuer;
  - (c) the Mortgage Loans did not provide at the time of disbursement for any State Subsidy in relation to principal or interest;
  - (d) the Mortgaged Property is real property which has been fully constructed as evidenced by an extract from the Czech Real Estate Register;
  - (e) the Mortgaged Property is located in the Czech Republic;
  - (f) the Mortgage Loans are not Defaulted Loans;
  - (g) under the Mortgage Loans, the maximum amount of secured receivables of the Issuer is at least equal to the Registered Nominal Value of such Mortgage Loan;
  - (h) the LTV Ratio of the CRR Residential Mortgage Loan does not exceed 80% and if it exceeds such threshold, the part of the Nominal Value of such CRR Residential Mortgage Loan exceeding the LTV Ratio of 80% shall be disregarded for the purpose of the Statutory Test and the Contractual Asset Cover Test;
  - (i) the LTV Ratio of the CRR Commercial Mortgage Loan does not exceed 60% and if it exceeds such threshold, the part of the Nominal Value of such CRR Commercial Mortgage Loan exceeding the LTV Ratio of 60% shall be disregarded for the purpose of the Statutory Test and the Contractual Asset Cover Test;
  - (j) the borrower under the Mortgage Loan has made at least one instalment payment;
  - (k) the Mortgage Loans are all denominated and payable by the relevant borrower in Czech Koruna (or other currency which may replace Czech Koruna as the official legal currency in the Czech Republic from the date of such replacement);
  - (l) the Nominal Value of the Mortgage Loans granted to the Issuer's employees does not exceed 5 per cent. of the Nominal Value of the Mortgage Loans contained in the Cover Pool; and
  - (m) the Cover Pool does not contain any asset-backed securities.

In relation to the Contractual Eligibility Criteria, unless otherwise required by the applicable law, each amount shall be calculated (i) if denominated in a currency other than Czech Koruna, in the Czech Koruna equivalent of such amount ascertained using the Relevant Exchange Rate relating to such amounts as at the relevant date; and (ii) if denominated in Czech Koruna, in the applicable amount in Czech Koruna.

- (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 § 11) and to the Principal Paying Agent immediately on the occurrence of any Event of Default;
  - (b) 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 Markets 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;

- (c) 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 Markets 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);
- (d) 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;
- (e) publish, at the time of publication of its report and accounts pursuant to paragraph (d) 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 (e) 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;
- (f) provide any Mortgage Covered Bondholder, upon its written request, with any report prepared by the Asset Monitor pursuant to the Asset Monitor Agreement;
- (g) 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 and be continuing:
  - (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; or
  - (b) the Issuer fails to comply with the Statutory Tests for a period longer than three months.

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

### (Additional Undertakings of the Issuer for the Benefit of the Mortgage Covered Bondholders)

If any one or more of the following events (each an "Issuance Longstop Event" shall occur and be continuing:

- (a) 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; "Significant Obligations" means any material obligations of the Issuer as set out in the Terms and Conditions and the Asset Monitor Agreement;
- (b) a breach of the Contractual Asset Cover Test with respect to the Cover Pool;
- (c) the Issuer has (i) ceased to be licensed to operate as a bank; (ii) ceased to be authorised to issue mortgage covered bonds (*hypoteční zástavní listy*); or (iii) ceased or threatened to cease to carry on substantially all of its business or operate as a bank; or
- (d) (i) the Issuer becomes (1) over-indebted (*předlužen*), (2) unable to pay its debts as they fall due (*platebně neschopný*) or (3) in a situation of a threatening insolvency (*hrozící úpadek*) pursuant to the Czech Insolvency Act; (ii) any corporate action, legal proceedings or other procedure or step is taken in relation to (1) the suspension of payments or a moratorium of any indebtedness of the Issuer; (2) bankruptcy (*úpadek*) or discharge (*oddlužení*) of the Issuer; or (3) a reorganization (*reorganizace*) or a similar arrangement with any creditor of the Issuer pursuant to the Czech Insolvency Act, unless the petition to commence such proceedings or procedure is contested in good faith and is discharged, stayed or dismissed within 30 calendar days of such commencement; (iii) an administrator, receiver, administrative receiver, compulsory manager, liquidator or other similar officer of the Issuer or substantially the whole of the undertaking, assets and revenues of the Issuer is appointed; or (iv) the Issuer takes any action for a readjustment or deferment of substantially the whole of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors generally or declares a moratorium in respect of generally all of its indebtedness or guarantees of any indebtedness given by it,

and if there are any Mortgage Covered Bonds then outstanding, the Issuer must not issue any Czech Mortgage Covered Bonds which have the benefit of the Cover Pool.

## § 11

### (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 (*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 (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 (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 subparagraph (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].]*

## § 12 (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.

**§ 13**  
**(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.

**§ 14**  
**(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.

**§ 15**  
**(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) 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 Frankfurt am Main.

*[Insert only, if Terms and Conditions are not exclusively written in the English language:]*

- (4) *[If a non-binding English language translation will be provided, insert: 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.]*

*[If a non-binding German language translation will be provided, insert: 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.]*

**§ 16**  
**(Amendments to the Terms and Conditions)**

- (1) §§ 5 et seq. of the German Bond Act (*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) Pursuant to § 18 SchVG, Mortgage Covered Bondholders shall pass resolutions by vote taken [without a physical meeting][in a physical meeting].

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 § 16 (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 (*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 (*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 (*hypoteční zástavní listy*) (the "**Mortgage Covered Bonds**") of Raiffeisenbank 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:*

- (2) 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.]
- (3) Each Global Note will be kept in custody by or on behalf of a Clearing System. "**Clearing System**" means [Clearstream Banking S.A., Luxembourg ("**Clearstream, Luxembourg**") and Euroclear Bank SA/NV ("**Euroclear**")] [(Clearstream, Luxembourg and Euroclear are individually referred to as an "**ICSD**" (*International Central Securities Depository*) 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:*

- (4) The Mortgage Covered Bonds are issued in classical global note form and are kept in custody by a common depository 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:*

- (4) 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:

the [[insert number]-month [Euribor] [[US-Dollar] [insert other currency] Libor] [[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 Libor, insert: London] [If the Reference Rate is Pribor, insert: Prague] time, on the respective Interest Determination Date] [If the Reference Rate is SONIA<sup>®</sup>, insert: the daily Sterling Overnight Index Average ("**SONIA**<sup>®</sup>") 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**<sup>®</sup>" means the rate of return of a daily compound interest investment (with the daily SONIA<sup>®</sup> 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:

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



"d"	means the number of calendar days in the relevant Interest Period;
"d <sub>0</sub> "	means the number of London Banking Days in the relevant Interest Period;
"I"	means a series of whole numbers from one to d <sub>0</sub> , 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 <i>[insert relevant definition]</i> .
"n <sub>i</sub> "	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 <sup>®</sup> <sub>i-pLBD</sub> "	means, in respect of any London Banking Day falling in the relevant Observation Period, the SONIA <sup>®</sup> 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<sup>®</sup>, insert: the daily US Dollar overnight reference rate ("SOFR<sup>®</sup>") 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<sup>®</sup>**" 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:

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

"d"	means the number of calendar days in the relevant Interest Period;
"d <sub>0</sub> "	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  $d_0$ , 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<sup>®</sup><sub>i-pUSBD</sub>" means, in respect of any U.S. Government Securities Banking Day falling in the relevant Observation Period, the SOFR<sup>®</sup> 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<sup>®</sup>, insert: the daily Euro short-term rate ("€STR<sup>®</sup>") 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<sup>®</sup>" 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:

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

- "d" means the number of calendar days in the relevant Interest Period;
- " $d_0$ " means the number of TARGET2 Banking Days since the relevant Interest Period;
- "I" means a series of whole numbers from one to  $d_0$ , 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<sup>®</sup><sub>i-pTBD</sub>" means, in respect of any TARGET2 Banking Day falling in the relevant Observation Period, the €STR<sup>®</sup> 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] [[US-Dollar] [insert other currency] Libor] [insert number] month [Pribor] offered rate and the [insert number] month [Euribor] [[US-Dollar] [insert other currency] Libor] [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 Libor, insert: London] [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] [[US-Dollar] [insert other currency] Libor] [insert number] month [Pribor] offered rate and the [insert number] month [Euribor] [[US-Dollar] [insert other currency] Libor] [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 Libor, insert: London] [If the Reference Rate is Pribor, insert: Prague] time, on the respective Interest Determination Date.)

*[If the Reference Rate is Euribor or Libor 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 [If the Reference Rate is Libor, insert: the principal London office of] 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 Libor, insert: London] [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 Libor, insert: London] [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 Libor, insert: hundred thousandth of a percentage point, with 0.000005]* *[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 Libor, insert: Specified Currency Financial Centre]* *[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 Libor, insert: Specified Currency Financial Centre]* *[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<sup>®</sup>, insert:*

If the Screen Page is not available or if no such quotation appears at such time, SONIA<sup>®</sup> 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<sup>®</sup> to the Bank Rate over the previous five days on which SONIA<sup>®</sup> 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<sup>®</sup> is to be determined or (ii) any rate that is to replace SONIA<sup>®</sup>, the [Calculation Agent] [●] shall, to the extent that it is reasonably practicable, follow such guidance in order to determine SONIA<sup>®</sup> for the purpose of the Mortgage Covered Bonds for so long as SONIA<sup>®</sup> 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<sup>®</sup>, insert:*

If the Screen Page is not available or if no such quotation appears at such time and, (1) unless both a SOFR<sup>®</sup> Index Cessation Event and a SOFR<sup>®</sup> Index Cessation Effective Date have occurred, SOFR<sup>®</sup> in respect of the last U.S. Government Securities Banking Day for which SOFR<sup>®</sup> was published on the Screen Page; or (2) if a SOFR<sup>®</sup> Index Cessation Event and SOFR<sup>®</sup> 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<sup>®</sup> Index Cessation Event, then the rate for each Interest Determination Date occurring on or after the SOFR<sup>®</sup> Index Cessation Effective Date will be determined as if (i) references to SOFR<sup>®</sup> were references to OBFR, (ii) references to U.S. Government Securities Banking Day were references to New York Banking Day, (iii) references to SOFR<sup>®</sup> Index Cessation Event were references to OBFR Index Cessation Event and (iv) references to SOFR<sup>®</sup> 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<sup>®</sup> 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<sup>®</sup> Index Cessation Effective Date will be determined as if (x) references to SOFR<sup>®</sup> 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<sup>®</sup> Index Cessation Effective Date**" means, in respect of a SOFR<sup>®</sup> 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<sup>®</sup> 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<sup>®</sup>, insert:

€STR<sup>®</sup>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<sup>®</sup> is to be determined or (ii) any rate that is to replace €STR<sup>®</sup>i, the [Calculation Agent] [●] shall, to the extent that it is reasonably practicable, follow such guidance in order to determine €STR<sup>®</sup>i for the purpose of the Mortgage Covered Bonds for so long as €STR<sup>®</sup>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<sup>®</sup>, insert: TARGET2] [If the Reference Rate is Libor or SONIA<sup>®</sup>, insert: London] [If the Reference Rate is SOFR<sup>®</sup>, 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<sup>®</sup>, insert: "**TARGET2 Banking Day**" means a day (other than a Saturday or Sunday) on which TARGET2 is operational.]

*[If the Reference Rate is Libor or SONIA<sup>®</sup>, insert: "[London] [insert other financial centre] [If the Reference Rate is SOFR<sup>®</sup>, 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 Libor or SONIA<sup>®</sup>, insert: London] [If the Reference Rate is SOFR<sup>®</sup>, 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] [If the Reference Rate is Libor, insert: London]* 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 the Reference Rate is Libor, insert: "Specified Currency Financial Centre"* means *[insert relevant financial centre]*.]

If (i) it becomes unlawful for the Issuer or the Calculation Agent to use [Reference Rate] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>], (ii) the administrator of the [Reference Rate] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] ceases to calculate and publish the [Reference Rate] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] permanently or for an indefinite period of time, (iii) the administrator of the [Reference Rate] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] is otherwise being discontinued (each a "**Discontinuation Event**"), the [Reference Rate] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] shall be replaced with the [Reference Rate] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>], which is announced by the administrator of the [Reference Rate] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>], the competent central bank or a regulatory or supervisory authority as the successor rate for the [Reference Rate] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] for the term of the [Reference Rate] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] and which can be used in accordance with applicable law; or (if such a successor rate cannot be determined);

(II) the [Reference Rate] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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 (*billiges Ermessen*) with regard to the term of the [Reference Rate] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] 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 *[insert 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: "[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]*].

*[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 (*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:*

- (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 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](http://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 London Interbank Offer Rate ("Libor") or 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 not based on the Libor or the Euribor or the Pribor for a currency, insert: [insert relevant date]]*.

For purposes of this subparagraph (2), (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, 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.]

*[In the case of 30/360 (ISDA) or 360/360 or Bond Basis, 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**<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y**<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M**<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M**<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D**<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"**D**<sub>2</sub>" 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<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30.]]

*[In the case of 30E/360 or Eurobond Basis, 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<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" 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<sub>2</sub> will be 30.]]

*[If 30E/360 (ISDA) (only, if ISDA 2006 Definitions shall be applicable) 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<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D<sub>1</sub>" 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<sub>1</sub> will be 30; and

"D<sub>2</sub>" 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<sub>2</sub> 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 § 11, 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 § 11, 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 *[If accrued interest will be paid separately, insert: 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)
<i>[insert Call Date(s)]</i>	<i>[insert Optional Redemption Amount(s) which may not be lower than the principal amount/issue price]</i>

*[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 § 11) 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 [*If accrued interest will be paid separately, insert: 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) [*If accrued interest will be paid separately, insert: 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)] [*If accrued interest will be paid separately, insert: 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 majeure 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 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<sup>11</sup>. 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 § 11.

*[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 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 § 11.
- (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)

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<sup>11</sup> 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.

[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 § 11.]

## § 7 (Status)

- (1) Notwithstanding § 15, the Mortgage Covered Bonds are mortgage covered bonds (*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 such 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) In these Terms and Conditions:

"**Adjusted Value**" means, unless required by the applicable laws otherwise, for:

- (a) each CRR Residential Mortgage Loan, the lower of:
  - (i) the outstanding Nominal Value of such CRR Residential Mortgage Loan;
  - (ii) 80 per cent. of the Mortgaged Property Value related to such CRR Residential Mortgage Loan; and
  - (iii) the Registered Nominal Value of such CRR Residential Mortgage Loan;
- (b) each CRR Commercial Mortgage Loan, the lower of:
  - (i) the outstanding Nominal Value of such CRR Commercial Mortgage Loan;
  - (ii) 60 per cent. of the Mortgaged Property Value related to such CRR Commercial Mortgage Loan; and
  - (iii) the Registered Nominal Value of such CRR Commercial Mortgage Loan;
- (c) each Czech Bonds Act Mortgage Loan the lower of:
  - (i) the outstanding Nominal Value of such Czech Bonds Act Mortgage Loan;
  - (ii) the Mortgaged Property Value related to such Czech Bonds Act Mortgage Loan; and
  - (iii) the Registered Nominal Value of such Czech Bonds Act Mortgage Loan;
- (d) each PSB's Receivables and Exposures its outstanding Nominal Value;
- (e) the Cash, its outstanding Nominal Value; and
- (f) each Derivative, its real value determined pursuant to the applicable law, provided that if such real value is negative, it shall be deemed to be 0 (zero).

"**Asset Monitor Agreement**" means the asset monitor agreement dated 15 December 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 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.

"**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.

"**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 (*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.

"**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 Commercial Mortgage Loan**" means the CRR Mortgage Loan secured by the Mortgaged Property that is a commercial immovable property within the meaning of the CRR.

"**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.

"**CRR Residential Mortgage Loan**" means the CRR Mortgage Loan secured by the Mortgaged Property that is a residential property pursuant to Article 4(75) 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 Bonds Act PSB's Receivables**" means receivables set out in Section 31(2)(b) and (c) 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 (*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 Issuer's Bond Programmes, 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.

"**Czech Real Estate Register**" means the Czech real estate register (*katastr nemovitostí*) kept pursuant to Act No. 256/2013 Coll., on the real estate register, as amended.

"**Dealer**" means Raiffeisen Bank International, Raiffeisen Bank 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 dealer agreement dated 15 December 2020 and entered into between the Issuer, Raiffeisen Bank International as arranger and dealer and Raiffeisen Bank a.s. as dealer.

"**Debts**" means all debts covered by the Cover Pool for the purposes of the Statutory Tests set out in Section 28a(1) and (2) of the Czech Bonds Act.

"**Default**" means a default in respect of the borrower under the Mortgage Loan pursuant to Article 178 of the CRR.

"**Defaulted Loan**" means any Mortgage Loan included in the Cover Pool in relation which a Default occurred and is continuing.

"**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.

"**English Law Mortgage Covered Bond Programme**" means inactive EUR 5,000,000,000 international covered 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. (and thus falling within the definition of the Czech Mortgage Covered Bonds).

"**First Asset Monitor Calculation Date**" means [30] September 2020.

"**Issue Date**" means a date on which the Issuer issues Mortgage Covered Bonds under the Programme;

"**Issuing and Paying Agency Agreement**" means the issuing and paying agency agreement dated 15 December 2020 between the Issuer as issuer and Citibank, N.A., London Branch as principal paying agent.

"**Issuer's Bond Programmes**" means both the English Law Mortgage Covered Bond Programme and the Local Bond Programmes.

"**Local Bond Programmes**" means inactive CZK 50,000,000,000 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 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.

"**LTV Ratio**" means the percentage ratio of the Nominal Value of receivables of the Issuer from a Mortgage Loan divided by the Mortgaged Property Value of the relevant Mortgaged Property securing such Mortgage Loan.

"**Monthly Date**" means the first day of each month (or if such day is not a Business Day, then the immediately following 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, in relation to which all the relevant applicable laws are fulfilled..

"**Mortgaged Property Value**" means the total value of all the Mortgaged Property as determined by the Issuer in accordance with applicable laws (including the Czech Property Valuation Act) and the Issuer's internal rules for valuation of the Mortgaged Property.

"**Nominal Value**" means the sum of the outstanding principal balances relating to the Czech Mortgage Covered Bonds (sharing the same Cover Pool), Mortgage Loans or any other debt or security as the case may be.

"**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 (*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 €5,000,000,000 Mortgage Covered Bond Programme of the Issuer.

"**PSB's Receivables and Exposures**" mean CRR PSB's Receivables and Czech Bonds Act PSB's Receivables.

"**Rating Agency**" means Moody's Investors Service España, S.A. and includes any successor to its rating business.

"**Registered Nominal Value**" means the part of the Nominal Value of a Mortgage Loan registered in the Cover Assets Register pursuant to Section 3(2)(g) of the CNB Decree for the purpose of compliance with Section 28a of the Czech Bonds Act;

"**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.

"**State Subsidy**" means any subsidy or similar benefit within the meaning of Czech Government Regulation No. 249/2002 Coll., on Conditions of the Provision of Subsidies in relation to Mortgage Loans Provided to Persons Under 36 Years of Age, as amended, and Czech Government Regulation No. 244/1995 Coll., on Conditions of the Provision of Financial Subsidies in relation to Mortgage Loans for Housing Development, as amended, or any subsidy or benefits having a similar nature that may be introduced into Czech law after the date of the Base Prospectus; for the avoidance of any doubt, the definition of State Subsidy shall not include any tax benefits.

**"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.
- (4) 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.
- (5) 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 all Debts (the **"Contractual Asset Cover Test"**). In relation to the Contractual Asset Cover Test, unless otherwise required by the applicable law, each amount shall be calculated (i) if denominated in a currency other than Czech Koruna, in the Czech Koruna equivalent of such amount ascertained using the Relevant Exchange Rate relating to such amounts as at the relevant date; and (ii) if denominated in Czech Koruna, in the applicable amount in Czech Koruna.

- (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 in relation to Cover Assets included in the Cover Pool (collectively the "**Contractual Eligibility Criteria**"):
- (a) the Mortgage Loans are governed by Czech law;
  - (b) the Mortgage Loans are fully disbursed and the relevant borrower does not have a right or entitlement to any additional advance from the Issuer;
  - (c) the Mortgage Loans did not provide at the time of disbursement for any State Subsidy in relation to principal or interest;
  - (d) the Mortgaged Property is real property which has been fully constructed as evidenced by an extract from the Czech Real Estate Register;
  - (e) the Mortgaged Property is located in the Czech Republic;
  - (f) the Mortgage Loans are not Defaulted Loans;
  - (g) under the Mortgage Loans, the maximum amount of secured receivables of the Issuer is at least equal to the Registered Nominal Value of such Mortgage Loan;
  - (h) the LTV Ratio of the CRR Residential Mortgage Loan does not exceed 80% and if it exceeds such threshold, the part of the Nominal Value of such CRR Residential Mortgage Loan exceeding the LTV Ratio of 80% shall be disregarded for the purpose of the Statutory Test and the Contractual Asset Cover Test;
  - (i) the LTV Ratio of the CRR Commercial Mortgage Loan does not exceed 60% and if it exceeds such threshold, the part of the Nominal Value of such CRR Commercial Mortgage Loan exceeding the LTV Ratio of 60% shall be disregarded for the purpose of the Statutory Test and the Contractual Asset Cover Test;
  - (j) the borrower under the Mortgage Loan has made at least one instalment payment;
  - (k) the Mortgage Loans are all denominated and payable by the relevant borrower in Czech Koruna (or other currency which may replace Czech Koruna as the official legal currency in the Czech Republic from the date of such replacement);
  - (l) the Nominal Value of the Mortgage Loans granted to the Issuer's employees does not exceed 5 per cent. of the Nominal Value of the Mortgage Loans contained in the Cover Pool; and
  - (m) the Cover Pool does not contain any asset-backed securities.

In relation to the Contractual Eligibility Criteria, unless otherwise required by the applicable law, each amount shall be calculated (i) if denominated in a currency other than Czech Koruna, in the Czech Koruna equivalent of such amount ascertained using the Relevant Exchange Rate relating to such amounts as at the relevant date; and (ii) if denominated in Czech Koruna, in the applicable amount in Czech Koruna.

- (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 § 11) and to the Principal Paying Agent immediately on the occurrence of any Event of Default;
  - (b) 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 Markets 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;
  - (c) 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 Markets 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);
  - (d) 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;
  - (e) publish, at the time of publication of its report and accounts pursuant to paragraph (d) 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 (e) 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;
  - (f) provide any Mortgage Covered Bondholder, upon its written request, with any report prepared by the Asset Monitor pursuant to the Asset Monitor Agreement;
  - (g) 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 and be continuing:
- (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; or
  - (b) the Issuer fails to comply with the Statutory Tests for a period longer than three months.

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**  
**(Additional Undertakings of the Issuer for the Benefit of the Mortgage Covered Bondholders)**

- (1) If any one or more of the following events (each an "**Issuance Longstop Event**") shall occur and be continuing:
- (a) 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; "**Significant Obligations**" means any material obligations of the Issuer as set out in the Terms and Conditions and the Asset Monitor Agreement;
  - (b) a breach of the Contractual Asset Cover Test with respect to the Cover Pool;
  - (c) the Issuer has (i) ceased to be licensed to operate as a bank; (ii) ceased to be authorised to issue mortgage covered bonds (*hypoteční zástavní listy*); or (iii) ceased or threatened to cease to carry on substantially all of its business or operate as a bank; or
  - (d) (i) the Issuer becomes (1) over-indebted (*předlužen*), (2) unable to pay its debts as they fall due (*platebně neschopný*) or (3) in a situation of a threatening insolvency (*hrozící úpadek*) pursuant to the Czech Insolvency Act; (ii) any corporate action, legal proceedings or other procedure or step is taken in relation to (1) the suspension of payments or a moratorium of any indebtedness of the Issuer; (2) bankruptcy (*úpadek*) or discharge (*oddlužení*) of the Issuer; or (3) a reorganization (*reorganizace*) or a similar arrangement with any creditor of the Issuer pursuant to the Czech Insolvency Act, unless the petition to commence such proceedings or procedure is contested in good faith and is discharged, stayed or dismissed within 30 calendar days of such commencement; (iii) an administrator, receiver, administrative receiver, compulsory manager, liquidator or other similar officer of the Issuer or substantially the whole of the undertaking, assets and revenues of the Issuer is appointed; or (iv) the Issuer takes any action for a readjustment or deferment of substantially the whole of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors generally or declares a moratorium in respect of generally all of its indebtedness or guarantees of any indebtedness given by it,

and if there are any Mortgage Covered Bonds then outstanding, the Issuer must not issue any Czech Mortgage Covered Bonds which have the benefit of the Cover Pool.

**§ 11**  
**(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 (*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 (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 (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 subparagraph (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]].]*

**§ 12  
(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.

**§ 13  
(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.

**§ 14  
(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.

**§ 15  
(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.
- (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 Frankfurt am Main.

*[Insert only, if Terms and Conditions are not exclusively written in the English language:*

- (5) *[If a non-binding English language translation will be provided, insert: 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.]*

*[If a non-binding German language translation will be provided, insert: 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.]*



**§ 16**  
**(Amendments to the Terms and Conditions)**

- (1) §§ 5 et seq. of the German Bond Act (*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) Pursuant to § 18 SchVG, Mortgage Covered Bondholders shall pass resolutions by vote taken [without a physical meeting][in a physical meeting].

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 § 16 (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 (*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 (*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 (*hypoteční zástavní listy*) (the "**Mortgage Covered Bonds**") of Raiffeisenbank 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:*

- (2) 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.]
- (3) Each Global Note will be kept in custody by or on behalf of a Clearing System. "**Clearing System**" means [Clearstream Banking S.A., Luxembourg ("**Clearstream, Luxembourg**") and Euroclear Bank SA/NV ("**Euroclear**")] [(Clearstream, Luxembourg and Euroclear are individually referred to as an "**ICSD**" (*International Central Securities Depository*) 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:*

- (4) The Mortgage Covered Bonds are issued in classical global note form and are kept in custody by a common depository 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:*

- (4) 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, 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.]]

### § 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:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

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 § 11, 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 § 11, 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<sup>12</sup>] [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).]

#### § 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) [If accrued interest will be paid separately, insert: 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)] [If accrued interest will be paid separately, insert: 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]].

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<sup>12</sup> 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.



[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 majeure 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<sup>13</sup> [(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:*

- (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[, 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 § 11.

*[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 § 11.

((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.

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<sup>13</sup> 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.

**§ 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 § 11.]

**§ 7**  
**(Status)**

- (1) Notwithstanding § 15, the Mortgage Covered Bonds are mortgage covered bonds (*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 such 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) In these Terms and Conditions:

"**Adjusted Value**" means, unless required by the applicable laws otherwise, for:

- (a) each CRR Residential Mortgage Loan, the lower of:
  - (i) the outstanding Nominal Value of such CRR Residential Mortgage Loan;
  - (ii) 80 per cent. of the Mortgaged Property Value related to such CRR Residential Mortgage Loan; and
  - (iii) the Registered Nominal Value of such CRR Residential Mortgage Loan;
- (b) each CRR Commercial Mortgage Loan, the lower of:
  - (i) the outstanding Nominal Value of such CRR Commercial Mortgage Loan;
  - (ii) 60 per cent. of the Mortgaged Property Value related to such CRR Commercial Mortgage Loan; and
  - (iii) the Registered Nominal Value of such CRR Commercial Mortgage Loan;
- (c) each Czech Bonds Act Mortgage Loan the lower of:
  - (i) the outstanding Nominal Value of such Czech Bonds Act Mortgage Loan;
  - (ii) the Mortgaged Property Value related to such Czech Bonds Act Mortgage Loan; and
  - (iii) the Registered Nominal Value of such Czech Bonds Act Mortgage Loan;
- (d) each PSB's Receivables and Exposures its outstanding Nominal Value;
- (e) the Cash, its outstanding Nominal Value; and
- (f) each Derivative, its real value determined pursuant to the applicable law, provided that if such real value is negative, it shall be deemed to be 0 (zero).

"**Asset Monitor Agreement**" means the asset monitor agreement dated 15 December 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 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.

"**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.

"**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 (*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.

"**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 Commercial Mortgage Loan**" means the CRR Mortgage Loan secured by the Mortgaged Property that is a commercial immovable property within the meaning of the CRR.

"**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.

"**CRR Residential Mortgage Loan**" means the CRR Mortgage Loan secured by the Mortgaged Property that is a residential property pursuant to Article 4(75) 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 Bonds Act PSB's Receivables**" means receivables set out in Section 31(2)(b) and (c) 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 (*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 Issuer's Bond Programmes, 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.

"**Czech Real Estate Register**" means the Czech real estate register (*katastr nemovitostí*) kept pursuant to Act No. 256/2013 Coll., on the real estate register, as amended.

"**Dealer**" means Raiffeisen Bank International, Raiffeisen Bank 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 dealer agreement dated 15 December 2020 and entered into between the Issuer, Raiffeisen Bank International as arranger and dealer and Raiffeisen Bank a.s. as dealer.

"**Debts**" means all debts covered by the Cover Pool for the purposes of the Statutory Tests set out in Section 28a(1) and (2) of the Czech Bonds Act.

"**Default**" means a default in respect of the borrower under the Mortgage Loan pursuant to Article 178 of the CRR.

"**Defaulted Loan**" means any Mortgage Loan included in the Cover Pool in relation which a Default occurred and is continuing.

"**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.

"**English Law Mortgage Covered Bond Programme**" means inactive EUR 5,000,000,000 international covered 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. (and thus falling within the definition of the Czech Mortgage Covered Bonds).

"**First Asset Monitor Calculation Date**" means [30] September 2020.

"**Issue Date**" means a date on which the Issuer issues Mortgage Covered Bonds under the Programme;

"**Issuing and Paying Agency Agreement**" means the issuing and paying agency agreement dated 15 December 2020 between the Issuer as issuer and Citibank, N.A., London Branch as principal paying agent.

"**Issuer's Bond Programmes**" means both the English Law Mortgage Covered Bond Programme and the Local Bond Programmes.

**"Local Bond Programmes"** means inactive CZK50,000,000,000 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 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.

**"LTV Ratio"** means the percentage ratio of the Nominal Value of receivables of the Issuer from a Mortgage Loan divided by the Mortgaged Property Value of the relevant Mortgaged Property securing such Mortgage Loan.

**"Monthly Date"** means the first day of each month (or if such day is not a Business Day, then the immediately following 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, in relation to which all the relevant applicable laws are fulfilled.

**"Mortgaged Property Value"** means the total value of all the Mortgaged Property as determined by the Issuer in accordance with applicable laws (including the Czech Property Valuation Act) and the Issuer's internal rules for valuation of the Mortgaged Property.

**"Nominal Value"** means the sum of the outstanding principal balances relating to the Czech Mortgage Covered Bonds (sharing the same Cover Pool), Mortgage Loans or any other debt or security as the case may be..

**"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 (*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 €5,000,000,000 Mortgage Covered Bond Programme of the Issuer.

**"PSB's Receivables and Exposures"** mean CRR PSB's Receivables and Czech Bonds Act PSB's Receivables.

**"Rating Agency"** means Moody's Investors Service España, S.A. and includes any successor to its rating business.

**"Registered Nominal Value"** means the part of the Nominal Value of a Mortgage Loan registered in the Cover Assets Register pursuant to Section 3(2)(g) of the CNB Decree for the purpose of compliance with Section 28a of the Czech Bonds Act.

**"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.

**"State Subsidy"** means any subsidy or similar benefit within the meaning of Czech Government Regulation No. 249/2002 Coll., on Conditions of the Provision of Subsidies in relation to Mortgage Loans Provided to Persons Under 36 Years of Age, as amended, and Czech Government Regulation No.



244/1995 Coll., on Conditions of the Provision of Financial Subsidies in relation to Mortgage Loans for Housing Development, as amended, or any subsidy or benefits having a similar nature that may be introduced into Czech law after the date of the Base Prospectus; for the avoidance of any doubt, the definition of State Subsidy shall not include any tax benefits.

"**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.
- (4) 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.
- (5) 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 all Debts (the "**Contractual Asset Cover Test**"). In relation to the Contractual Asset Cover Test, unless otherwise required by the applicable law, each amount shall be calculated (i) if denominated in a currency other than Czech Koruna, in the Czech Koruna equivalent of such amount ascertained using the Relevant Exchange Rate relating to such amounts as at the relevant date; and (ii) if denominated in Czech Koruna, in the applicable amount in Czech Koruna.
- (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 in relation to Cover Assets included in the Cover Pool (collectively the "**Contractual Eligibility Criteria**"):
- (a) the Mortgage Loans are governed by Czech law;
  - (b) the Mortgage Loans are fully disbursed and the relevant borrower does not have a right or entitlement to any additional advance from the Issuer;
  - (c) the Mortgage Loans did not provide at the time of disbursement for any State Subsidy in relation to principal or interest;
  - (d) the Mortgaged Property is real property which has been fully constructed as evidenced by an extract from the Czech Real Estate Register;
  - (e) the Mortgaged Property is located in the Czech Republic;
  - (f) the Mortgage Loans are not Defaulted Loans;
  - (g) under the Mortgage Loans, the maximum amount of secured receivables of the Issuer is at least equal to the Registered Nominal Value of such Mortgage Loan;
  - (h) the LTV Ratio of the CRR Residential Mortgage Loan does not exceed 80% and if it exceeds such threshold, the part of the Nominal Value of such CRR Residential Mortgage Loan exceeding the LTV Ratio of 80% shall be disregarded for the purpose of the Statutory Test and the Contractual Asset Cover Test
  - (i) the LTV Ratio of the CRR Commercial Mortgage Loan does not exceed 60% and if it exceeds such threshold, the part of the Nominal Value of such CRR Commercial Mortgage Loan exceeding the LTV Ratio of 60% shall be disregarded for the purpose of the Statutory Test and the Contractual Asset Cover Test;
  - (j) the borrower under the Mortgage Loan has made at least one instalment payment;
  - (k) the Mortgage Loans are all denominated and payable by the relevant borrower in Czech Koruna (or other currency which may replace Czech Koruna as the official legal currency in the Czech Republic from the date of such replacement);
  - (l) the Nominal Value of the Mortgage Loans granted to the Issuer's employees does not exceed 5 per cent. of the Nominal Value of the Mortgage Loans contained in the Cover Pool; and

- (m) the Cover Pool does not contain any asset-backed securities.

In relation to the Contractual Eligibility Criteria, unless otherwise required by the applicable law, each amount shall be calculated (i) if denominated in a currency other than Czech Koruna, in the Czech Koruna equivalent of such amount ascertained using the Relevant Exchange Rate relating to such amounts as at the relevant date; and (ii) if denominated in Czech Koruna, in the applicable amount in Czech Koruna.

- (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 § 11) and to the Principal Paying Agent immediately on the occurrence of any Event of Default;
  - (b) 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 Markets 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;
  - (c) 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 Markets 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);
  - (d) 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;
  - (e) publish, at the time of publication of its report and accounts pursuant to paragraph (d) 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 (e) 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;
  - (f) provide any Mortgage Covered Bondholder, upon its written request, with any report prepared by the Asset Monitor pursuant to the Asset Monitor Agreement;
  - (g) 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 and be continuing:
  - (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; or
  - (b) the Issuer fails to comply with the Statutory Tests for a period longer than three months.

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**  
**(Additional Undertakings of the Issuer for the Benefit of the Mortgage Covered Bondholders)**

- (1) If any one or more of the following events (each an "**Issuance Longstop Event**") shall occur and be continuing:
  - (a) 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; "**Significant Obligations**" means any material obligations of the Issuer as set out in the Terms and Conditions and the Asset Monitor Agreement.
  - (b) a breach of the Contractual Asset Cover Test with respect to the Cover Pool;
  - (c) the Issuer has (i) ceased to be licensed to operate as a bank; (ii) ceased to be authorised to issue mortgage covered bonds (hypoteční zástavní listy); or (iii) ceased or threatened to cease to carry on substantially all of its business or operate as a bank; or
  - (d) (i) the Issuer becomes (1) over-indebted (předlužen), (2) unable to pay its debts as they fall due (platebně neschopný) or (3) in a situation of a threatening insolvency (hrozící úpadek) pursuant to the Czech Insolvency Act; (ii) any corporate action, legal proceedings or other procedure or step is taken in relation to (1) the suspension of payments or a moratorium of any indebtedness of the Issuer; (2) bankruptcy (úpadek) or discharge (oddlužení) of the Issuer; or (3) a reorganization (reorganizace) or a similar arrangement with any creditor of the Issuer pursuant to the Czech Insolvency Act, unless the petition to commence such proceedings or procedure is contested in good faith and is discharged, stayed or dismissed within 30 calendar days of such commencement; (iii) an administrator, receiver, administrative receiver, compulsory manager, liquidator or other similar officer of the Issuer or substantially the whole of the undertaking, assets and revenues of the Issuer is appointed; or (iv) the Issuer takes any action for a readjustment or deferment of substantially the whole of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors generally or declares a moratorium in respect of generally all of its indebtedness or guarantees of any indebtedness given by it,

and if there are any Mortgage Covered Bonds then outstanding, the Issuer must not issue any Czech Mortgage Covered Bonds which have the benefit of the Cover Pool.

**§ 11**  
**(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 (*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 (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 (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 subparagraph (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].]

**§ 12**  
**(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.

**§ 13**  
**(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.

**§ 14**  
**(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.

**§ 15**  
**(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.
- (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 Frankfurt am Main.

*[Insert only, if Terms and Conditions are not exclusively written in the English language:*

- (5) *[If a non-binding English language translation will be provided, insert: 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.]*

*[If a non-binding German language translation will be provided, insert: 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.]*

**§ 16**  
**(Amendments to the Terms and Conditions)**

- (1) §§ 5 et seq. of the German Bond Act (*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) Pursuant to § 18 SchVG, Mortgage Covered Bondholders shall pass resolutions by vote taken [without a physical meeting][in a physical meeting].

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 § 16 (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 (*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 (*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

[In the case of Notes listed on the official list of the Luxembourg Stock Exchange or publicly offered in the Grand Duchy of Luxembourg, the Final Terms will be displayed on the website of the Luxembourg Stock Exchange (www.bourse.lu).]

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) (the "**Terms and Conditions**").

**[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.]**

**[PROHIBITION OF SALES TO EEA AND UNITED KINGDOM 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**") or the United Kingdom. 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 or in the United Kingdom has been prepared and therefore offering or selling the Mortgage Covered Bonds or otherwise making them available to any retail investor in the EEA or in the United Kingdom may be unlawful under the PRIIPs Regulation.]

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 Base 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 [●]

### RAIFFEISENBANK A.S.

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 [●]

[(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

**EUR 5,000,000,000**

### **Mortgage Covered Bonds Programme of Raiffeisenbank a.s.**

*This document constitutes the Final Terms for the Mortgage Covered Bonds described herein for the purposes of Article 8 para. 5 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 (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. In order to get full information, the Final Terms are to be read together with the information contained in [(a)] the base prospectus dated 15 December 2020 [and (b) the supplement[s] dated [●]] (the "**Base Prospectus**").*

*The aforementioned documents are available on the website [www.rb.cz](http://www.rb.cz)*

## 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 Base 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 Bonds which were issued under the base prospectus for the issuance of Mortgage Covered Bonds dated [●] 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 [, Definitions]

- Issue Date: *[insert Issue Date]*
- Specified Currency: [Euro ("EUR")] *[insert Specified Currency]*
- 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
- 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]<sup>14</sup>

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]<sup>15</sup>

[Interest Payment Dates and relating Interest Rate: **Interest Payment Dates** **relating Interest Rate**  
[insert Interest Payment Dates] [insert relating Interest Rate]<sup>16</sup>

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]

<sup>14</sup> Only applicable for Mortgage Covered Bonds other than Step-up or Step-down Mortgage Covered Bonds.

<sup>15</sup> Only applicable for Mortgage Covered Bonds other than Step-up or Step-down Mortgage Covered Bonds.

<sup>16</sup> Only applicable for Step-up or Step-down Mortgage Covered Bonds.

**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]]<sup>17</sup>

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]

[First Interest Payment Date: *[insert first Interest Payment Date]*]<sup>18</sup>

[First Interest Payment Date falling into the Floating Interest Term: *[insert first Interest Payment Date falling into the Floating Interest Term]*]<sup>19</sup>

[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]<sup>20</sup>

Initial Broken Amount (per Aggregate Principal Amount of [Series][Tranche]): *[insert Initial Broken Amount]*[Not applicable]<sup>21</sup>

Screen Rate Determination:

To Maturity Date:

Floating Rate Mortgage Covered Bonds where interest is linked to the [Euro Interbank Offered Rate (Euribor)<sup>®</sup>] [London Interbank Offered Rate (Libor)] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] [Prague Interbank Offered Rate (Pribor)]

Euribor (Brussels time / TARGET2 Banking Day / Interbank market in the Euro-Zone) *[insert term(s)]* [●]

<sup>17</sup> Only applicable for Fixed to Floating Rate Mortgage Covered Bonds.

<sup>18</sup> Insert only in the case of a first long/short coupon.

<sup>19</sup> Only applicable for Fixed to Floating Rate Mortgage Covered Bonds.

<sup>20</sup> Only applicable for Fixed to Floating Rate Mortgage Covered Bonds.

<sup>21</sup> Only applicable for Fixed to Floating Rate Mortgage Covered Bonds.

- Screen page: Reuters screen page EURIBOR01 or any successor screen page
- Libor (London time / London Banking Day / principal London office / London Interbank market) [US-Dollar][insert other currency] [insert term(s)] [●]
- Screen page: Reuters screen page LIBOR01 or any successor screen page
- Financial Centre: [insert relevant financial centre]
- 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] [[US-Dollar] [insert other currency] Libor] [Pribor] offered rate and the [insert number] month [Euribor] [[US-Dollar] [insert other currency] Libor] [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 Libor, insert: London] [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)®] [London Interbank Offered Rate (Libor)] [SONIA®] [SOFR®] [eSTR®] [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
- Libor (London time / London Banking Day / principal London office / London Interbank market) [US-Dollar][insert other currency] [insert term(s)] [●]
- Screen page: Reuters screen page LIBOR01 or any successor screen page
- Specified Currency [insert relevant financial centre]  
Financial Centre:
- 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] [[US-Dollar] [insert other currency] Libor] [Pribor] offered rate and the [insert number] month [Euribor] [[US-Dollar] [insert other currency] Libor] [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 Libor, insert: London] [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:**<sup>22</sup>

- Actual/Actual (ICMA)<sup>23</sup> *[For the [Fixed Interest Term] [and the] [Floating Interest Term]] [Fictive Interest Payment Date: *[insert Fictive Interest Payment Date]*]<sup>24</sup>*
- 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 *[For the [Fixed Interest Term] [and the] [Floating Interest Term]]*
- 30/360 (ISDA) or 360/360 or Bond Basis<sup>25</sup> *[For the [Fixed Interest Term] [and the] [Floating Interest Term]]*

<sup>22</sup> 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.

<sup>23</sup> 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.

<sup>24</sup> Insert in the case of a long/short first/last Calculation Period.

<sup>25</sup> Not applicable in the case of Zero Coupon Mortgage Covered Bonds.

30E/360 or Eurobond Basis<sup>26</sup> [For the [Fixed Interest Term] [and the] [Floating Interest Term]]

30E/360 (ISDA)<sup>27</sup> [For the [Fixed Interest Term] [and the] [Floating Interest Term]]

**Option III: Zero Coupon Mortgage Covered Bonds**

§ 3

**Maturity, Redemption Amount [Redemption for tax reasons, Redemption due to illegality or invalidity, Optional Redemption at the Option of the Issuer (Call Option)]**

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]<sup>28</sup>

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]

[Accrued interest will be paid separately: [Yes] [No]]<sup>29</sup>

Optional Redemption Amount(s):

Specified Denomination

Other amount [insert Optional Redemption Amount(s) which may not be lower than the principal amount/issue price]]

<sup>26</sup> Not applicable in the case of Zero Coupon Mortgage Covered Bonds.

<sup>27</sup> Only applicable in the case of Mortgage Covered Bonds other than Zero Coupon Mortgage Covered Bonds and if ISDA 2006 Definitions shall be applicable.

<sup>28</sup> 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.

<sup>29</sup> Only applicable in the case of Mortgage Covered Bonds other than Zero Coupon Mortgage Covered Bonds.

[Accrual of default interest on the Redemption Amount [and the Optional Redemption Amount] on the basis of:<sup>30</sup>

Amortisation Yield

Reference Rate: [*insert Reference Rate*]

Amortisation Yield: [*insert Amortisation Yield*]

default interest rate established by law]

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

[Accrued interest will be paid separately:

[Yes] [No]]<sup>31</sup>

Notice period for condition [§ 3[(2)][(3)]]  
(*Redemption due to illegality or invalidity*):

Minimum period: [●] days

Maximum period: [●] days

[Accrued interest will be paid separately:

[Yes] [No]]<sup>32</sup>

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*]]<sup>33</sup>

#### § 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*]

<sup>30</sup> Only applicable in the case of Zero Coupon Mortgage Covered Bonds.

<sup>31</sup> Only applicable in the case of Mortgage Covered Bonds other than Zero Coupon Mortgage Covered Bonds.

<sup>32</sup> Only applicable in the case of Mortgage Covered Bonds other than Zero Coupon Mortgage Covered Bonds.

<sup>33</sup> Only applicable in the case of Zero Coupon Mortgage Covered Bonds.

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
- Floating Rate Convention<sup>34</sup> [[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]

**§ 11**

**Notices**

[Notices may be given by means of electronic publication on the website of the relevant stock exchange:<sup>35</sup>

[Yes] [No]

Newspaper authorised by the stock exchange [insert newspaper authorised by the stock exchange] [Not applicable]

<sup>34</sup> Only applicable in the case of Floating Rate Mortgage Covered Bonds.

<sup>35</sup> Only applicable if the Mortgage Covered Bonds are listed on a stock exchange.

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*]

### **[§ 15 Language**

Language of Terms and Conditions:

- 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.)]

### **§ 16 (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

[Not applicable][General Business Purposes: ●][Green Mortgage Covered Bonds: ●][Social Mortgage Covered Bonds: ●] [●]

### 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.]<sup>36</sup>

[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<sup>37</sup>: [Not applicable] [specify details]]

[Selling Concession<sup>63</sup>: [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]

Use and estimated net amount of the proceeds: [specify details]

**Listing(s) and admission to trading** [Yes] [No]

Luxembourg Stock Exchange

Regulated Market

EuroMTF

Other: [●]

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<sup>36</sup> Only applicable for Fixed Rate Mortgage Covered Bonds.

<sup>37</sup> 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**<sup>38</sup>

[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<sup>®</sup>, which is currently provided by European Money Markets Institute (EMMI)] [[LIBOR<sup>®</sup>][CMS], which is currently provided by ICE Benchmark Administration (IBA)] [SONIA<sup>®</sup>, which is currently provided by the Bank of England] [SOFR<sup>®</sup>, which is currently provided by the Federal Reserve Bank of New York] [PRIBOR, which is currently provided by Czech Financial Benchmark Facility s.r.o.] [[insert other reference rate], 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**").]

[Raiffeisenbank a.s.

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[Name]]

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<sup>38</sup> Insert relevant rating with regard to the rating of individual Mortgage Covered Bonds, if any.

## GENERAL DESCRIPTION OF CZECH 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) Decree of the CNB No. 2/2019 Coll., on Keeping Records of the Covered Blocks, as amended (the "**CNB Decree**"); and (iii) Section 375 as well as some other provisions of the Czech Act No. 182/2006 Coll., on Insolvency and Method of its Resolution (the Insolvency Act), as amended (the "**Czech Insolvency Act**").

### 2. CZECH COVERED BONDS 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 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 Loan**"); 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 per cent. 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 the Czech Act No. 21/1992 Coll., 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 such 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 "*General Description of Czech Legislation relating to Mortgage Covered Bonds - 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 (as "**Cover Assets**"), 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, owned by a person other than the Issuer or owned by the Issuer and provided to another person as a security or collateral); and (ii) certain other debts of the Issuer; and (B) 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 "*Cover Pool – Cover Assets and Statutory Cover 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.

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 "*General Description of Czech Legislation relating to – 9. Insolvency of the Issuer and the Cover Pool*").

Moreover, in case a creditor enforces claims against the Issuer through judicial enforcement pursuant to the Czech Civil Procedure Code or through an executor pursuant to the Czech Act No. 120/2001 Coll., on Executors and Execution (Execution Code), 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.

In addition, pursuant to Section 337c(1)(c) of the Czech Civil Procedure Code, the receivables under the Mortgage Loans, which are included in the Cover Pool covering the 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 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 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**

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 (whilst 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 (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 Czech 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 Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU ("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 (whilst 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 per cent. of the aggregate value of all debts covered by the relevant Cover Pool, i.e. resulting in a minimum 2 per cent. 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.

Second, the aggregate value of the Cover Assets in the Cover Pool has to represent at least 85 per cent. 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 per cent. of the value of the Mortgaged Property (as described below in "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 result of repayment of the obligations secured by them from the proceeds of the relevant Mortgage Loan. If the criteria under (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 per cent.

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, whilst the value of the Derivatives is 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 is constituted of the Cover Pool and the debts that it covers.

The relevant 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 "*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 (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 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 (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 (vi) 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 a 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 "*General Description of Czech Legislation relating to – 3. Cover Pool – Composition of Assets and Statutory Cover 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; (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, amongst 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 (i) – (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 be also 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.

Furthermore, the CNB supervises the Issuer's compliance with certain laws, including the Czech Bonds Act, also pursuant to the Czech Act No. 15/1998 Coll., on Supervision in the Capital Market Area and Amendment of Certain Other Acts, as amended (the "**Czech Capital Markets Supervision Act**"). The Czech Capital Markets Supervision Act empowers the CNB, in case the Issuer is not compliant with those laws, including the Czech Bonds Act, to adopt certain further remedial measures (in Czech, *opatření k nápravě*) serving to remedy such non-compliance.

## 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 whilst 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 krizi*) 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 board members 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 whilst the temporary administration may last for up to 12 months, unless extended by the CNB).

The primary effect of a 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 measure is in the public interest if it is necessary and proportional 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 recapitalize 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 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 (i.e. Czech Mortgage Covered Bonds) up to the value of all assets that are included in the 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 "*General Description of Czech Legislation relating to Mortgage Covered Bonds - 7. Consequences of Certain Issuer's shortcomings*" above) and in certain other cases specified by the Czech Banking Act. The application of crisis resolution measures and tools (as described above in "*General Description of Czech Legislation relating to Mortgage Covered Bonds - 8. Czech Resolution and Recovery Act*") 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 the 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**

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 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. 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 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 in 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 his 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 cooperate 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 the *Pari Passu Haircut*, i.e. 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 including the nominal value of the Czech 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 Czech Mortgage Covered Bonds (the "**Cover Pool Liquidation**") or may decide that it will continue to manage the Covered Block. Both Pari Passu Haircut as well as the Cover Pool Liquidation requires 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 was made.



## **ENFORCEMENT OF JUDGMENTS IN THE CZECH REPUBLIC AND REGULATION OF EMERGENCY MEASURES 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, 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 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. 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, subject to the rules of the Brussels I Recast and, *vice versa*, court rulings issued by court authorities in the Czech Republic 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 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 courts against individuals and legal entities domiciled therein. In court proceedings, Czech 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 may be required to: (i) submit to the court a translation in the Czech 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 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.

The Government of the Czech Republic (or the Prime Minister of the Czech Republic, in specific cases) may, under the Czech Constitutional Act. No. 110/1998 Coll., on Security of the Czech Republic, as amended, declare a state of emergency. In line with the Czech Act No. 240/2000 Coll., on Crisis Management and on Amendments of Certain Acts (Crisis Act), as amended, if the state of 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 state of emergency. The state of emergency may be declared for a maximum period of 30 days. The duration, however, may be prolonged subject to prior consent of the Chamber of Deputies of the Parliament of the Czech Republic.

## THE COVER POOL

Notwithstanding any other definitions used in this Base Prospectus, for the purposes of interpretation of the terms used in this section, the terms shall be interpreted as set out in the Terms and Conditions.

### 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 "*General Description of Czech Legislation Relating to Mortgage Covered Bonds – 3. Cover Assets and Statutory Cover Tests*" above).

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 "*General Description of Czech Legislation Relating to Mortgage Covered Bonds – 3. Cover Assets and Statutory Cover Tests*" 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.

#### *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 (as defined in the Terms and Conditions) (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 law;
- (b) the Mortgage Loans are fully disbursed and the relevant borrower does not have a right or entitlement to any additional advance from the Issuer;
- (c) the Mortgage Loans did not provide at the time of disbursement for any State Subsidy in relation to principal or interest;
- (d) the Mortgaged Property is real property which has been fully constructed as evidenced by an extract from the Czech Real Estate Register;
- (e) the Mortgaged Property is located in the Czech Republic;
- (f) the Mortgage Loans are not Defaulted Loans;
- (g) under the Mortgage Loans, the maximum amount of secured receivables of the Issuer is at least equal to the Registered Nominal Value of such Mortgage Loan;
- (h) the LTV Ratio of the CRR Residential Mortgage Loan does not exceed 80% and if it exceeds such threshold, the part of the Nominal Value of such CRR Residential Mortgage Loan exceeding the LTV Ratio of 80% shall be disregarded for the purpose of the Statutory Test and the Contractual Asset Cover Test
- (i) the LTV Ratio of the CRR Commercial Mortgage Loan does not exceed 60% and if it exceeds such threshold, the part of the Nominal Value of such CRR Commercial Mortgage Loan exceeding the LTV Ratio of 60% shall be disregarded for the purpose of the Statutory Test and the Contractual Asset Cover Test;
- (j) the borrower under the Mortgage Loan has made at least one instalment payment;

- (k) the Mortgage Loans are all denominated and payable by the relevant borrower in Czech Koruna (or other currency which may replace Czech Koruna as the official legal currency in the Czech Republic from the date of such replacement);
- (l) the Nominal Value of the Mortgage Loans granted to the Issuer's employees does not exceed 5 per cent. of the Nominal Value of the Mortgage Loans contained in the Cover Pool; and
- (m) the Cover Pool does not contain any asset-backed securities.

## **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 per cent. of the aggregate value of all debts covered with the respective Cover Pool, i.e. resulting in a minimum 2 per cent. 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 Issuer's Bond Programmes and, if applicable, by way of the Issuer's standalone issues) (see "*General Description of Czech Legislation Relating to Mortgage Covered Bonds – Cover Assets and Statutory Cover Tests*" above).

#### *The Statutory 85 % Test*

The Issuer covenants to ensure that the Mortgage Loans Ratio (as defined below) 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 per cent. of the Mortgaged Property Value 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 all Debts (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 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.

### **Asset Monitor Agreement**

Under the terms of the Asset Monitor Agreement entered into on 15 December 2020, between the Issuer and the Asset Monitor (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 out 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).

If the Statutory Eligibility Criteria and/or the Contractual Eligibility Criteria have been breached or the Statutory Tests had been failed on the relevant Asset Monitor Calculation Date and/or the Contractual Asset Cover Test had been failed on the relevant Asset Monitor Calculation Date or the reported Contractual Adjusted Aggregate Cover Pool Balance was misstated by the Issuer by an amount exceeding one per cent. of the Contractual Adjusted Aggregate Cover Pool Balance (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 forty Prague 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 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 is missing or the information provided by the Issuer is not consistent with other information provided by the Issuer or from other sources, the Asset Monitor shall request such information as is required to analyse the inconsistencies in the information provided and shall report any inconsistencies or other findings which would affect the eligibility of Cover Assets or the outcome of the Statutory Tests or the Contractual Asset Cover Tests.

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 which agrees to perform the duties (or substantially similar duties) 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 circumstances 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 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 "*General Description of Czech Legislation Relating to Mortgage Covered Bonds - 9. Insolvency of the Issuer and the Cover Pool*" below). In order to be included in the Cover Pool, Mortgage Loans have to meet certain statutory and contractual eligibility criteria (see "*The Cover Pool – Composition of Assets*" and "*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.

As of 30 November 2020, the Cover Pool consisted of 19,486 Mortgage Loans.

As of 30 November 2020, the total value of the Cover Pool was CZK 32,642 million, out of which 100% were residential Mortgage Loans.

The following table provides information on the composition of the Cover Pool as of 30 November 2020:

<b>Mortgage Loan purpose</b>	<b>Percentage</b>	<b>Volume in the Cover Pool [CZK mln]</b>	<b>Mortgaged Property Value [CZK mln]</b>	<b>Weighted LTV</b>
Purchase	43%	14,117	24,668	57%
Refinancing	32%	10,530	21,972	48%
Construction	24%	7,989	14,066	57%
Other	0%	7	14	49%
<b>Total</b>		<b>32,642</b>	<b>60,721</b>	<b>54%</b>

(note: Mortgage Loans with the construction purpose are included in the Cover Pool only once the relevant construction is completed)

As of 30 November 2020, the outstanding Czech Mortgage Covered Bonds were over-collateralised by 80 per cent. As of the same date, 100 per cent. of the Cover Assets included in the Cover Pool was denominated in Czech Koruna.

From the total number of Mortgage Loans in the Cover Pool, 12.2% were affected by the Moratorium. This represents 14.94% of the total volume of the Cover Assets.

The Moratorium was applicable until 31 October 2020 at the most. Since 1 November 2020, there are no more Mortgage Loan agreements affected.

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 plans to proceed with an opt-in of the outstanding Czech Mortgage Covered Bonds issued under the English Law Mortgage Covered Bond Programme under new legal framework introduced by the amendment No. 307/2018 Coll. to the Czech Bonds Act.

## **Issuer's Cover Pool in respect of the Czech Mortgaged Covered Bonds**

### ***Management of the Cover Pool in respect of the Czech Mortgaged Covered Bonds***

In accordance with the Czech Bonds Act, the Issuer maintains the Cover Assets Register (as defined in the Terms and Conditions) 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 expert 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 ("ALCO") based on analysis conducted by the Retail Loan Support Department. The ALCO Committee further decides about individual steps leading to an increase or decrease in the ratio of the Cover Assets or alternatively to the repurchase of the relevant Czech Mortgage Covered Bonds.

***List of Issued and Outstanding Mortgage Covered Bonds***

The following table lists information concerning the outstanding Czech Mortgage Covered Bonds issued by the Issuer. The data is valid as of the date of this Base Prospectus.

<b>Name of the Euro Mortgage Covered Bond issue</b>	<b>ISIN</b>	<b>Sum of issue (billion EUR)</b>	<b>Interest yield (% p.a.)</b>	<b>Issuance date</b>	<b>Date of the maturity of the bonds</b>
HZL RBCZ 4Y .....	XS1574150261	0.300	0.50 %	8.3.2017	8.3.2021
HZL RBCZ 5Y .....	XS1574149842	0.300	0.625 %	8.3.2017	8.3.2022
HZL RBCZ 6Y .....	XS1574150857	0.300	0.875 %	8.3.2017	8.3.2023
HZL RBCZ 7Y .....	XS1574151236	0.300	1.125 %	8.3.2017	8.3.2024

## USE OF PROCEEDS

The net proceeds from each issue of Mortgage Covered Bonds will be applied by the Issuer for its general business purposes, which include making a profit. If, in respect of an issue, there is a particular identified use of proceeds, this will be stated in the relevant Final Terms.

Furthermore, where "Green Mortgage Covered Bonds" or "Social Mortgage Covered Bonds" is specified in the relevant Final Terms, the proceeds will be used to finance eligible assets as further specified in the relevant Final Terms. The Issuer will provide more details with regard to its prospective Green Mortgage Covered Bonds or Social Mortgage Bonds issues (i) in its Green Bond Framework or Social Bond Framework which will be disclosed on the Issuer's website ([www.rb.cz](http://www.rb.cz)) once the frameworks are finalised and (ii) in the relevant Final Terms under the section "Use of proceeds". Such Green Bond Framework or Social Bond Framework may be updated from time to time. Prior to issuances of Green Mortgage Covered Bonds or Social Mortgage Covered Bonds, the Issuer intends to mandate a recognised second party opinion provider such as Sustainalytics GmbH, a provider of environmental, social and governance (ESG) research and analysis. The second party opinion provider will evaluate the robustness and credibility of Raiffeisenbank a.s.'s Green Bond Framework or Social Bond Framework and the intended use of proceeds in terms of its alignment with the relevant industry standards, including the Green Bond Principles 2018 (as amended from time to time) and the Social Bond Principles 2020 (as amended from time to time). On such basis, the second party opinion provider typically reviews the Issuer's Green Bond Framework or Social Bond Framework and provides its opinion thereon.



## SELECTED FINANCIAL INFORMATION

The following tables present selected historical audited consolidated financial information of the Issuer as of and for the years ended 31 December 2019 and 2018 and selected unaudited consolidated financial information of the Issuer as of and for the half years ended 30 June 2020 and 2019 which has been derived from the financial statements of the Issuer 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

	Half year ended 30 June <sup>39</sup>		Year ended 31 December	
	2020 <sup>40</sup>	2019	2019	2018
	(in CZK millions)	(in CZK millions)	(in CZK thousands)	(in CZK thousands)
Interest income and similar income calculated using the effective interest rate method	6 560	6 597	13 603 229	10 627 317
Other interest income	1 401	1 365	2 479 417	1 493 741
Interest expense and similar expense	(3 652)	(3 475)	(7 036 126)	(4 455 562)
<b>Net interest income</b>	<b>4 309</b>	<b>4 487</b>	<b>9 046 520</b>	<b>7 665 496</b>
Fee and commission income	1 999	2 062	2 906 347	2 870 669
Fee and commission expenses	(432)	(456)	(991 686)	(890 603)
<b>Net fee and commission income</b>	<b>1 567</b>	<b>1 606</b>	<b>1 914 661</b>	<b>1 980 066</b>
Net gain on financial operations	(212)	(83)	1 216 445	1 415 693
Net gain from hedge accounting	(17)	1	5 989	72 759
Dividend income	-	31	41 510	30 812
Impairment losses on financial instruments	(550)	453	(348 823)	(880 372)
Gain/(loss) from derecognition of financial assets measured at amortised cost	6	-	(2 687)	41 156
Personnel expenses	(1 717)	(1 723)	(3 569 497)	(3 252 073)
General operating expenses	(1 197)	(1 182)	(2 133 971)	(2 226 995)
Depreciation/amortisation of property and equipment and intangible assets	(668)	(587)	(1 504 584)	(841 794)
Other operating income	538	885	1 032 745	875 122
Other operating expenses	(329)	(213)	(335 643)	(222 275)
Gains/(losses) from disposal of subsidiaries and joint ventures	-	-	222 137	12 770
Gains/(losses) from non-current assets and disposal groups	-	-	11 386	-
<b>Operating profit</b>	<b>1 730</b>	<b>3 675</b>	<b>5 596 188</b>	<b>4 670 365</b>
Share in profit from joint ventures	-	4	-	13 589
<b>Profit before income tax</b>	<b>1 730</b>	<b>3 679</b>	<b>5 596 188</b>	<b>4 683 954</b>
Income tax	(231)	(489)	(865,037)	(868,936)
Net profit for the year attributable to:	1 499	3 190	4,731,151	3,815,018
– shareholders of the parent company	1 499	3 190	4,731,151	3,815,018
– non-controlling interests	-	-	-	-
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to profit or loss in future:</b>				
Gains/(losses) from remeasurement of equity securities at FVOCI	(47)	55	106 111	25 226

<sup>39</sup> Figures for the end of years are in thousands of CZK while half year figures are in millions of CZK. In 1H2020 financial report, new format of values is in place. As the 2019 half year figures refer to 1H2020 financial report, they inherit the format.

<sup>40</sup> As of 30 June 2020 there was a change in definitions of Fee and commission income, Net fee and commission income, Net gain on financial operations. Since this date, the margins from FX derivatives are part of fee and commission income. Before this date FX margins were part of net gain of financial operations. As the 2019 half year figures refer to 1H2020 financial report, they inherit the definition of each measure.

Deferred tax relating to items that will not be reclassified to profit or loss in following periods	-	(10)	(15 800)	(5 059)
<b>Items that will be reclassified to profit or loss in future:</b>				
Cash flow hedge	11	117	22 224	177 406
Deferred tax relating to items that will be reclassified to profit or loss in following periods	(2)	(22)	(4 222)	(40 129)
<b>Total other comprehensive income attributable to:</b>	<b>(38)</b>	<b>140</b>	<b>108 313</b>	<b>157 444</b>
– shareholders of the parent company	(38)	140	108 313	157 444
– non-controlling interests	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>1 462</b>	<b>3 330</b>	<b>4 839 464</b>	<b>3 972 462</b>

## Selected data of consolidated statement of financial position

	Half year ended 30 June		Year ended 31 December	
	2020 <sup>41</sup> (in CZK millions)	2019 (in CZK thousands)	2019 (in CZK thousands)	2018 (in CZK thousands)
<b>Assets</b>				
Cash in hand balances with central banks and other demand deposits	16 189	12 509 193	14 134 629	12 105 947
Financial assets held for trading	4 797	1 846 987	1 768 571	1 955 465
Derivatives held for trading	3 072	1 746 069	1 674 759	1 687 444
Securities held for trading	1 725	100 918	93 812	268 021
Financial assets measured at FVOCI	687	683 968	734 991	628 880
Financial assets at amortised cost	377 710	344 886 488	345 278 736	342 997 467
Loans and advances to banks	95 537	90 296 370	87 242 433	99 528 498
Loans and advances to customers	252 515	243 640 131	247 156 855	236 604 410
of which: change in fair value of hedged items	(1)	(938)	(762)	(1 245)
Debt securities	29 658	10 949 987	10 879 448	6 864 559
Change in fair value of portfolio-remeasured items (loans and advances to customers and debt securities)	3 003	(596 384)	(1 152 503)	(1 144 945)
Hedging derivatives with positive fair value	2 616	2 454 442	2 545 904	2 481 030
Tax receivables	284	42 308	28 017	28 649
Deferred tax asset	9	8 631	10 895	9 300
Other assets	2 769	1 975 282	1 525 512	1 661 271
Equity investments in joint ventures	-	13 938	-	45 997
Intangible assets	2 905	2 816 854	2 773 040	2 722 610
Property and equipment	4 019	4 141 990	4 164 066	2 067 421
Investment property	466	415 495	413 762	599 307
<b>Total assets</b>	<b>415 581</b>	<b>371 199 192</b>	<b>372 225 620</b>	<b>366 158 399</b>
<b>Liabilities and equity</b>				
Financial liabilities held for trading	2 995	1 915 378	1 798 795	1 675 219
Derivatives held for trading	2 995	1 915 378	1 798 795	1 675 219
Financial liabilities at amortised cost	368 373	331 709 372	332 171 148	330 670 003
Deposits from banks	27 724	27 314 795	21 961 318	34 401 546
Deposits from customers	319 417	271 155 820	290 187 547	270 920 560
of which: change in fair value of hedged items	18	66 142	41 995	89 896
Debt securities issued	13 265	25 176 761	12 692 483	19 599 578
of which: change in fair value of hedged items	-	11 788	-	28 307
Subordinated liabilities and bonds	3 482	3 312 610	3 308 732	2 577 259
Other financial liabilities	4 485	4 749 386	4 021 069	3 171 060
Fair value remeasurement of portfolio-remeasured items (deposits from customers)	1 756	(929 819)	(1 270 121)	(1 757 940)
Hedging derivatives with negative fair value	4 065	3 047 646	2 667 682	3 204 463
Provisions	918	869 384	1 121 614	1 357 077
Current tax liability	4	59 481	178 181	49 014
Deferred tax liability	232	226 032	172 541	131 128
Other liabilities	1 633	2 150 370	1 031 073	929 519
<b>Total liabilities</b>	<b>379 976</b>	<b>339 047 844</b>	<b>337 870 914</b>	<b>336 258 483</b>

<sup>41</sup> Figures for the end of years and for 1H2019 are in thousands of CZK while half year figures for 1H2020 are in millions of CZK. In 1H2020 financial report, new format of values is in place.

<b>Equity</b>				
Attributable to shareholders of the Group	35 605	32 151 348	34 354 706	29 899 916
Share capital	11 061	11 060 800	11 060 800	11 060 800
Reserve fund	694	693 861	693 861	693 918
Fair value reserve	334	402 840	371 753	263 240
Retained earnings	18 634	14 187 698	14 114 537	11 451 586
Other equity instruments	3 383	2 615 354	3 382 604	2 615 354
Profit for the year	1 499	3 190 795	4 731 151	3 815 018
<b>Total equity</b>	<b>35 605</b>	<b>32 151 348</b>	<b>34 354 706</b>	<b>29 899 916</b>
<b>Total liabilities and equity</b>	<b>415 581</b>	<b>371 199 192</b>	<b>372 225 620</b>	<b>366 158 399</b>

## Selected data of consolidated statement of cash flows

	Half year ended 30 June <sup>42</sup>		Year ended 31 December	
	2020 (in CZK millions)	2019 (in CZK millions)	2019 (in CZK thousands)	2018 (in CZK thousands)
<b>Profit before tax</b>				
<b>Adjustments for non-cash transactions</b>				
Creation of loss allowances and provisions for credit risks	550	(453)	348 823	880 372
Depreciation/amortisation of property and equipment and intangible assets	668	587	1 504 584	841 794
Loss on the impairment of tangible and intangible assets	1	-	2 370	336
Creation of other provisions	(225)	(325)	(94 284)	(83 255)
Change in fair value of derivatives	1 151	169	(454 898)	123 263
Unrealised losses/(gains) on remeasurement of securities	-	1	673	2 244
Loss/(gain) on the sale of property and equipment and intangible assets	-	(2)	6 889	2 126
Gain on the sale of subsidiaries and joint ventures	-	(116)	(222 137)	(12 770)
Change in the remeasurement of hedged items upon fair value hedge	(1 154)	239	418 686	(88 201)
Share in profit from joint ventures	-	(4)	-	(13 589)
Remeasurement of foreign currency positions	1 749	(393)	(146 769)	920 511
Other non-monetary changes	(984)	(122)	(328 430)	48 955
<b>Operating profit before changes in operating assets and liabilities</b>	<b>3 486</b>	<b>3 260</b>	<b>6 631 695</b>	<b>7 305 740</b>
<b>Operating cash flow</b>				
(Increase)/decrease in operating assets				
Mandatory minimum provisions with CNB	349	(4 947)	(1 110 882)	3 151 068
Loans and advances to banks	(8 317)	9 234	12 291 892	4 088 969
Loans and advances to customers	(2 616)	(7 217)	(11 075 180)	(19 486 203)
Debt securities at amortised cost	(18 530)	(4 003)	(4 010 024)	(4 766 359)
Securities held for trading	(1 604)	157	161 626	(110 687)
Other assets	(1 244)	(314)	135 759	(193 177)
Increase/(decrease) in operating liabilities				
Deposits from banks	5 049	(6 860)	(12 183 587)	3 029 392
Deposits from customers	26 372	668	19 688 505	17 582 082
Other financial liabilities	483	(437)	(1 077 626)	(1 091 986)
Other liabilities	602	1 221	101 554	(12 346)
<b>Net operating cash flow before tax</b>	<b>3 906</b>	<b>(9 238)</b>	<b>9 553 732</b>	<b>9 496 493</b>
Income tax paid	(575)	(417)	(861 110)	(1 142 983)
<b>Net operating cash flow</b>	<b>3 331</b>	<b>(9 655)</b>	<b>8 692 622</b>	<b>8 353 510</b>
<b>Cash flows from investing activities</b>				
Sale/(acquisition) of equity investments	-	144	376 537	19 469
Acquisition of property and equipment and intangible assets	(633)	(555)	(1 514 545)	(1 629 777)
Proceeds from sale of non-current assets	-	2	2 649	4 809
Dividends received	-	31	41 510	30 812
<b>Net cash flow from investing activity</b>	<b>(633)</b>	<b>(378)</b>	<b>(1 093 849)</b>	<b>(1 574 687)</b>
<b>Cash flows from financing activities</b>				
Dividends paid and paid coupons on other equity instruments	(211)	(1 152)	(1 152 067)	(1 697 907)
Increase in other equity instruments	-	-	767 250	-
Debt securities issued	-	5 829	5 828 930	-

<sup>42</sup> Figures for the end of years are in thousands of CZK while half year figures are in millions of CZK. In 1H2020 financial report, new format of values is in place. As the 2019 half year figures refer to 1H2020 financial report, they inherit the format.

Repayment of debt securities issued	(37)	-	(12 581 387)	-
Repayment of subordinated debt	-	772	-	(2 554 000)
Withdrawal of subordinated debt			771 750	2 572 500
Repayment of subordinated bonds			-	(125 000)
Lease liabilities	(182)	41	(358 167)	n/a
<b>Net cash flow from financing activities</b>	<b>(430)</b>	<b>5 490</b>	<b>(6 723 691)</b>	<b>(1 804 407)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>2 268</b>	<b>(4 543)</b>	<b>875 082</b>	<b>4 974 416</b>
Cash and cash equivalents at the beginning of the year	11 209	10 290	10 290 852	5 397 165
Foreign exchange gains/losses on cash and cash equivalents at the beginning of the year	135	-	42 719	(80 729)
<b>Cash and cash equivalents at the end of the year</b>	<b>13 612</b>	<b>5 747</b>	<b>11 208 653</b>	<b>10 290 852</b>
Interest received	7 965	8 410	16 619 517	11 833 384
Interest paid	(3 622)	(3 375)	(7 153 551)	(4 513 096)

## 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.*

### Introduction

The Issuer was incorporated on 25 June 1993 as a joint stock company. The Issuer was registered with the Commercial Register maintained by the Municipal Court in Prague File No. B 2051 on 25 June 1993. As stated in Article 2 of the most recent version of the Articles of Association of the Issuer dated 11 December 2018 (filed in the Issuer's collection of deeds in the Czech Commercial Register which is publicly accessible at [www.justice.cz](http://www.justice.cz)), the Issuer's scope of business is banking and financial transactions and other operations listed in the banking licence, granted in accordance with the Czech Act No. 21/1992 Coll., on Banks, as amended (the "**Czech Banking Act**"). The Issuer is also entitled to set up branch offices or other company units in the Czech Republic and abroad, and to establish subsidiaries and hold capital interests provided that generally binding legal regulations are respected. The Issuer's identification number is 492 40 901, its LEI is 3157001000000004460.

The Issuer is a major bank and financial services provider in the Czech Republic, offering a wide range of banking and financial services to private and corporate clients. The Issuer is the parent company of the Raiffeisen Group which offers products and services in the Czech Republic in the area of banking and financial services, building savings and loans, insurance and leasing. The Issuer's registered office is at Hvězdova 1716/2b, Prague 4, Postal Code 140 78, Czech Republic, its telephone number is + 420 412 446 400 and its internet address is [www.rb.cz](http://www.rb.cz).

As of 31 December 2019, the Issuer served clients at 128 branch offices and client centres throughout the Czech Republic and employed 2,972 full-time equivalent employees. As of 31 December 2019, the total assets of the Issuer amounted to CZK 370.7 billion and the share capital of the Issuer amounted to CZK 11.06 billion.

As of 31 December 2019 the share capital of the Issuer amounts to CZK 11.06 billion and has been fully paid. The share capital of the Issuer composes of 1,106,080 ordinary shares with the nominal value CZK 10,000 each which do not have any special rights associated with them. Ordinary shares include the entitlement to participate in the Issuer's governance and the entitlement to a share on profit.

As of 31 December 2019, the Issuer had CZK 290.7 billion of customer deposits and CZK 246.6 billion of customer loans.

As of 30 June 2020, the Issuer served clients at 119 branch offices and client centres throughout the Czech Republic and employed 3,124 full-time equivalent employees. As of 30 June 2020, the total assets of the Issuer amounted to CZK 415.6 billion and the share capital of the Issuer amounted to CZK 11.06 billion.

As of 30 June 2020, the Issuer had CZK 319.4 billion of customer deposits and CZK 252.2 billion of customer loans.

The Issuer and its direct and indirect subsidiaries (the "**Raiffeisen Group**") are part of the RBI Group, which has provided financial services for over 140 years and is one of the strongest financial institutions operating in the field of commercial and investment banking in CEE. As of 31 December 2019, the RBI Group operated in many countries in the CEE, had over 46,800 full-time equivalent employees and served approximately 16.7 million clients at 2,040 business premises (according to RBI's Annual Report 2019).

As of 30 June 2020, the RBI Group operated in many countries in the CEE, had 46,386 full-time equivalent employees and served approximately 16.7 million clients at 1,982 business premises (according to RBI's Semi-Annual Financial Report as at 30 June 2020).

In the conduct of its activities, the Issuer is primarily governed by Czech law, in particular the Czech Banking Act, the Czech Corporations Act, the Czech Act No. 256/2004 Coll., on Conducting Business in the Capital Market, as amended (the "**Czech Capital Markets Act**"), and other Czech laws and regulations governing operations in the banking and capital markets.

## History

RBI Group traces its origins to the founding of the Raiffeisen Financial Group by Friedrich Wilhelm Raiffeisen in Anhausen in 1862, which originally began as a cooperative banking association. By the mid 1890's, more than 600 banking associations based on the Raiffeisen system were already operating in Austria, which soon became popular not only in Europe, but also spread overseas. Friedrich Wilhelm Raiffeisen's Raiffeisen Financial Group was to gradually become the largest private financial group in Austria.

Today, the various successors of Friedrich Wilhelm Raiffeisen's original Raiffeisen Financial Group have been providing financial services for over 140 years.

The Issuer started in 1993 with two branch offices, and thanks to successful growth, gradually became the fifth largest bank firmly established on the Czech market.

## Raiffeisen Group

Raiffeisen Group offers products and services in the Czech Republic in the area of banking and financial services, building savings and loans, and leasing. Raiffeisen Group consists primarily of the Issuer, Raiffeisen-Leasing, s.r.o. ("**Raiffeisen-Leasing**"), Raiffeisen Direct Investments CZ, s.r.o. ("**RDI**"), and Raiffeisen investiční společnost a.s. ("**RIS**"). Raiffeisen-Leasing is a universal leasing company offering a comprehensive range of financial products, including supplementary services for corporate entities and private individuals. See "*Description of the Issuer – Corporate Structure*" below for further details.

As of 30 June 2020, the Raiffeisen Group comprised the Issuer and 18 direct and indirect subsidiaries. The following table provides an overview of Raiffeisen Group companies that are consolidated in the financial statements as of 30 June 2020:

<u>Group Entity</u>	<u>Parent Company</u>	<u>Issuer's effective holding</u> <i>(per cent.)</i>	<u>Consolidation method</u>
RIS .....	Issuer	100.0	Full method
Raiffeisen – Leasing .....	Issuer	100.0	Full method
Raiffeisen FinCorp, s.r.o. ....	Raiffeisen – Leasing	100.0	Full method
Appolon Property, s.r.o. ....	Raiffeisen – Leasing	100.0	Full method
Luna Property, s.r.o. ....	Raiffeisen – Leasing	100.0	Full method
Gaia Property, s.r.o. ....	Raiffeisen – Leasing	100.0	Full method
RLRE Carina Property, s.r.o. ....	Raiffeisen – Leasing	100.0	Full method
Orchideus Property, s. r. o. ....	Raiffeisen – Leasing	100.0	Full method
Viktor Property, s.r.o. ....	Raiffeisen – Leasing	100.0	Full method
Hestia Property, s.r.o. ....	Raiffeisen – Leasing	100.0	Full method
Janus Property, s.r.o.	Raiffeisen – Leasing	100.0	Full method
RDI .....	Raiffeisen – Leasing	100.0	Full method
RDI Management s.r.o. ....	RDI	100.0	Full method
RDI Czech 1 s.r.o. ....	RDI	100.0	Full method
RDI Czech 3 s.r.o. ....	RDI	100.0	Full method
RDI Czech 4 s.r.o. ....	RDI	100.0	Full method
RDI Czech 5 s.r.o. ....	RDI	100.0	Full method
RDI Czech 6 s.r.o. ....	RDI	100.0	Full method

The Issuer also directly holds a 100 per cent. share in Raiffeisen stavební spořitelna, a.s. ("**RSTS**") which is a major financial institution in the Czech Republic providing financial consultancy services to its clients primarily in the area of cost-effective savings and housing finance. Its main products include building savings, building savings loans, bridge loans and mortgage-type loans.

## RBI Group and the Issuer's Shareholders

Raiffeisen Group is part of RBI Group which regards as its home both Austria, where it is a leading corporate and investment bank, and the CEE, where it operates an extensive network of subsidiary banks, leasing companies and a range of other specialised financial service providers.



The Issuer's majority shareholder, holding 75 per cent. of its registered share capital, is Raiffeisen CEE Region Holding GmbH. Raiffeisen CEE Region Holding GmbH is indirectly wholly owned by RBI. Regional Raiffeisen banks (Landesbanks) own approximately 59 per cent. of RBI, while the remaining shares are held by diverse investors (the shares are listed on the Vienna Stock Exchange). The Issuer's second shareholder, holding the remaining 25 per cent. of the Issuer's registered share capital, is RLB OÖ Sektorholding GmbH, which is a member of the group of Raiffeisenlandesbank Oberösterreich Aktiengesellschaft. As a result of a merger of RB Prag Beteiligungs GmbH and RLB OÖ Sektorholding GmbH, the Issuer's second shareholder changed on 31 August 2018 and RLB OÖ Sektorholding GmbH became the successor company.

The ultimate parent company of the Issuer is RBI.

The Issuer is indirectly controlled by RBI. This control is based on RBI's indirect ownership of 75 per cent. of the registered share capital of the Issuer. The Issuer is not aware of any measures in place to ensure that such control is not abused other than the general limitations set forth by the Czech corporate law and banking regulations; the Issuer is regulated as a bank and is subject to the CNB supervision.

### **Other Czech Operations of the RBI Group**

In addition to the activities carried out by the Raiffeisen Group in the Czech Republic (see "*Description of the Issuer – Corporate Structure*" below for further details), the RBI Group carries out certain other business activities in the Czech Republic through UNIQA pojišťovna, a.s. ("**UNIQA**").

#### **UNIQA**

UNIQA commenced its operations in the Czech insurance market in 1993, originally under the name Česko-rakouská pojišťovna, a.s. The company changed its name to UNIQA pojišťovna, a.s. in 2001 as a part of the international strategy of the RBI Group to integrate its insurance business under the brand name UNIQA. UNIQA holds a universal insurance licence allowing it to carry out business in the area of both life and non-life insurance. As of the date of this Base Prospectus, UNIQA offers most types of insurance products covering the insurance needs of all private and corporate clients. UNIQA is currently the seventh largest insurance company on the Czech market. As of 31 December 2019, UNIQA provided its services at 130 business locations throughout the Czech Republic, its portfolio includes almost one million insurance policies and the annual prescribed premiums of UNIQA amounted to CZK 7.6 billion in 2019.

The total prescribed premiums from the portfolio of all valid UNIQA insurance policies arranged by Raiffeisenbank bankers amounted to CZK 462.2 million in 2019.

### **Business Overview**

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:

1. Corporate Banking;
2. Retail Banking;
3. Treasury; and
4. Other.

The majority of the Issuer's revenue is generated in the Czech Republic from transactions with clients who have their permanent residence or place of business in the Czech Republic or from trading with financial instruments issued by Czech entities. The revenue generated outside the Czech Republic is immaterial for the Issuer.

The Issuer's client base is well diversified. It has no client or group of related parties which would account for more than 10 per cent. of the Issuer's total income for the year 2019.

The Issuer's management accounts are maintained on a margin basis. For this reason, the interest income and expenses and fee and commission expense of the Issuer's individual operating segments are not reported separately, but on a net basis.

The table below provides key financial data for the Issuer's segments for the years 2020, 2019 and 2018:

	2019	2018	2019	2018	2019	2018
	Net interest income		Profit before tax		Profit after tax	
	<i>(in CZK thousands)</i>					
Corporate Banking .....	2,821,816	2,544,221	2,557,963	1,817,055	2,118,214	1,499,896
Retail Banking .....	5,375,769	4,808,141	2,213,998	2,602,168	1,763,080	2,129,565
Treasury and ALM.....	318,911	176,245	(107,048)	43,833	(60,342)	45,633
Other .....	571,534	167,701	931,275	207,309	910,199	126,335
Reconciliation to the statement of comprehensive income.....	(41,510)	(30,812)	-	13,589	-	13,589
<b>Total .....</b>	<b>9,046,520</b>	<b>7,665,496</b>	<b>5,596,188</b>	<b>4,683,954</b>	<b>4,731,151</b>	<b>3,815,018</b>
	<b>30.06.2020</b>	<b>30.06.2019</b>	<b>30.6.2020</b>	<b>30.6.2019</b>	<b>30.6.2020</b>	<b>30.6.2019</b>
	Net interest income		Profit before tax		Profit after tax	
	<i>(in CZK thousands)</i>					
Corporate Banking .....	1,367,745	1,384,067	796,920	1,327,894	709,289	1,158,367
Retail Banking .....	2,506,508	2,655,725	1,045,139	1,984,930	914,345	1,745,403
Treasury and ALM.....	146,424	144,632	(194,749)	(141,543)	(160,955)	(114,452)
Other .....	289,003	332,911	83,262	503,620	36,436	397,418
Reconciliation to the statement of comprehensive income.....	(354)	(30,768)	-	4,059	-	4,059
<b>Total .....</b>	<b>4,309,326</b>	<b>4,486,567</b>	<b>1,730,572</b>	<b>3,678,960</b>	<b>1,499,115</b>	<b>3,190,795</b>

### 1. Corporate Banking

The Corporate Banking segment involves transactions with corporate clients, public sector institutions and financial institutions. It covers corporate clients with a particular focus on large financial and non-financial corporations, real estate developers and small and medium-sized entities (trading companies, manufacturing companies and service companies). The Issuer does not primarily target public sector entities.

As of 31 December 2019, the volume of loans provided in the Issuer's Corporate Banking segment represented 52.6 per cent. of the Issuer's total loan portfolio. The number of loans increased by more than 6 per cent. in the year 2019 as compared to the year 2018. 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, investment banking and brokerage services, factoring, leasing and insurance services. In addition, in non-cash loans, the Issuer provides both domestic and foreign currency facilities to its customers, principally comprising guarantees in relation to imports and letters of credit in respect of trade financing activities.

#### *Project Finance*

The Issuer also offers its clients 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 (investment) that brings to the investor a real and predictable future income ensuring the requested return on investment.

Particular focus is given to investments into real estate, energy and infrastructure. Loans are provided especially for the purpose of (i) investment acquisition; (ii) development; (iii) upgrade, reconstruction and revitalisation; or (iv) refinancing of liabilities related to the investment. Real estate financing is focused in particular on

(i) commercial real estate; (ii) residential real estate; (iii) accommodation facilities such as hotels; and (iv) 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.

#### *Trade Finance & Factoring*

The Issuer's Trade Finance & Factoring Department is active in the following areas: (i) Traditional Trade Finance i.e. Bank Guarantees & Documentary Business; (ii) Export & Structured trad Finance and (iii) Factoring. The Issuer's clients within these product lines include importers and exporters in the large corporate and SME segments.

The Issuer's export-focused clients benefit from the RBI Group's branch network in the Central and Eastern European region. The Issuer also sometimes co-operates with a Czech Export Credit Agency ("**EGAP**") and international financial institution as -the European Investment Bank ("**EIB**"), the European Bank for Reconstruction and Development ("**EBRD**"), the International Finance Corporation ("**IFC**").

## **2. Retail Banking**

The Issuer's Retail Banking segment generally includes all private individuals, including high net worth (VIP) clients, entrepreneurs as well as the Issuer's own employees.

As of 31 December 2019, the loans provided to this segment represented 47.4 per cent. of the Issuer's total loan portfolio and deposits received from this segment represented 53.1 per cent. of all Issuer's deposits from customers.

The Issuer believes that affluent clients and high net worth individuals currently constitute one of the fastest growing groups of banking clients in the market and will continue to do so in the future. The relatively underdeveloped private banking market in the Czech Republic has, according to the Issuer, significant potential and the Issuer believes that local private banking services in the Czech Republic currently administer only about 25 per cent. of all assets that fall within this segment, which is why there may be big potential to increase this share. The remainder of such assets is deposited either with Czech banks outside the private banking sector (i.e., ordinary deposit products offered by upper-mass and affluent banking competitors) or abroad. The Issuer therefore believes that the Czech retail market could grow considerably in the next years.

On 14 September 2015, the Issuer and Citibank Europe plc entered into an agreement for the sale and transfer of Citibank's retail banking segment, credit cards business, investment products, and consumer loans in the Czech Republic to the Issuer. The transaction covered customer agreements, branch offices, ATMs, third-party arrangements related to the retail banking segment, as well as employees working in the segment. The ownership rights were transferred to the Issuer as of 1 March 2016, thus formally completing the selling part of the acquisition. As a result, the Raiffeisen Group's loans and clients' receivables increased by CZK 5.12 billion and the Raiffeisen Group's liabilities increased by CZK 16.58 billion. The combination of both banks' unique know-how and workforce enables the Issuer to create an elite team, which will set the trend on the domestic market in credit cards as well as services for high net worth individuals.

#### *Raiffeisen Premium Banking Concept*

The Issuer's branches opened since 2009 are based on the Raiffeisen "Premium Banking Concept", which is a service intended for clients with monthly incomes exceeding CZK 50,000. The Issuer expects to continue focusing on this segment in the future. Among other services, the Issuer provides an individual tailor-made financial advisory service, a range of premium credit cards with additional benefits and a priority service in both call centres and branches as part of the Raiffeisen Premium Banking Concept.

### *Friedrich Wilhelm Raiffeisen*

The Issuer offers a private banking service entitled "Friedrich Wilhelm Raiffeisen" ("**FWR**"). The Issuer currently operates specialised branches in Prague, Brno, Plzeň, Olomouc and Ostrava for private banking clients under the FWR label. As part of the FWR service, the Issuer offers professional investment advice, regional product specialisation with the possibility of purchasing any global investment product, and an exclusive club under the Friedrich Wilhelm Raiffeisen brand.

Since September 2019, FWR clients can invest in the FWR Strategy. The total volume of investments during the year reached over CZK 1 billion. The FWR Strategy involve client investing through qualified investor funds, which are now significantly increasing in popularity among private banking clients. Each strategy contains a different ratio of shares and bonds and the minimum initial investment in the fund is CZK 5 million, whereas each subsequent investment must be at least CZK 1 million.

### *Credit Cards*

The Issuer offers its clients an attractive portfolio of new credit cards that match the needs of customers from different segments.

The current portfolio of credit cards offered by the Issuer consists of seven different card products, each designed for a different customer segment: (i) the EASY card for customers who are looking primarily for an additional source of money; (ii) the STYLE card that offers shopping benefits and premiums which correspond to the amount of spending; (iii) the RB PREMIUM card with a high level of care and customer service and support included along with the card; (iv) MALL cobrand card with benefits for customers preferring online shopping; (v) O2 cobrand card with benefits designed for customers of O2 mobile operator e.g. discounts for O2 services; (vi) CSA cobrand card with benefits designed for customers of Czech Airlines incl. loyalty miles collection and free travel insurance; and (vii) Visa Gold card for customers preferring Visa brand. The other three "historical" card products remain in the product portfolio, they are however not sold any more (DELUXE, LIFE, Classic).

The Issuer's credit cards programmes include, among others, a range of benefits including rewards for card spend, proprietary country-wide merchant discount program – Premium RB Club or attractive insurance packages (including payment protection, travel, fraud, extended warranty, lowest price guarantee and others). Issuer is a long term market leader in instalment programs associated with Issuer's credit cards, allowing customer to repay selected transactions (payments as well as fund transfers from the credit card to customer's current account) via monthly instalment plans with more favourable interest rates and tenors from 12 to 60 months.

### *Mortgages*

From 1999 onwards, the Issuer has provided mortgage loans for private individuals. The overall volume of total mortgages provided amounts to CZK 95.2 billion as of 31 December 2019 and CZK 95.9 billion as of 30 June 2020. The Issuer's mortgage portfolio contains residential mortgages, interest only residential mortgages, home equity mortgages, single account mortgages and asset based mortgages. Several of the Issuer's products are unique or rare in the Czech mortgage market (such as its variable mortgages, offset mortgages and mortgages with both fixed and floating interest rates).

As of December 2019, the Issuer is the 5<sup>th</sup> largest provider in the mortgage loan market in terms of market share (source: information from the Czech Ministry of Regional Development (in Czech, *Ministerstvo pro místní rozvoj*). For more information on mortgage loans provided by the Issuer see "*Mortgage Loans and Their Regulatory Framework*".

### *Current Account*

In January 2020, the Issuer introduced new tariffs. First of all, "AKTIVNÍ účet" (in English, ACTIVE account) offers an all-inclusive account for one transparent fee: account management, including sub-accounts for up to nineteen foreign currencies, two payment cards, a credit card, Internet banking, authorised overdraft, a savings account with favourable interest rate if current account is used actively, and smart phone banking. The second

product launched in January 2020 was “CHYTRÝ účet” (in English, SMART account). It’s free of charge without any conditions. CHYTRÝ účet also offers withdrawals from all ATMs in the Czech Republic free of charge. That’s its main competitive advantage. The Issuer also offers “PRÉMIOVÝ účet” (in English, PREMIUM account) and “EXKLUZIVNÍ účet” (in English, EXCLUSIVE account) accounts for clients with higher income or deposits and investments in the bank.

### **3. Treasury**

The Issuer's Treasury Segment includes interbank transactions, asset – liability management and securities trading. The treasury segment provides all types of foreign exchange and interest rate hedging instruments to its clients as well as internally within the Issuer, in both Czech Koruna and other major currencies.

### **4. Other**

Other ancillary activities carried on by the Issuer include equity investments and other non-interest bearing assets and liabilities of the Issuer that cannot be allocated to segments referred to above such as capital, subordinated deposits and capital investments. The Issuer also records operating income and expense that cannot be assigned to any specific segment. These include the creation of provision for other receivables and fraud losses.

In addition to the products described above, the Issuer offers its retail customers a broad range of products and services, including general purpose loans, car loans, credit and debit cards, foreign exchange services, wireless payments via mobile phones, payment and collection services, deposit and overdraft accounts, securities trading, asset management products, ATMs, telephone banking, internet banking and mobile banking and life and non-life insurance products.

## **Distribution Channels**

### ***Branches and Retail Centres***

As of 30 June 2020, the Issuer has a branch network in the Czech Republic consisting of 119 business sites in 14 regions of the Czech Republic (source: Issuer's internal analysis of data collected from the publicly available information of other banks). As of 30 June 2020, the Issuer had 119 retail branches and retail centres, including branches focused on the Raiffeisen Premium Banking Concept and 4 branches which cater for the Issuer's FWR concept. These branches provide customers with a wide range of services. All the Issuer's branches are retail-related with 24 corporate centres and 24 mortgage centres operated on branch premises.

### ***ATMs, Internet Banking and Phone Banking***

In addition to its branch network the Issuer uses direct distribution channels such as ATMs, internet banking and GSM services. As of 30 June 2020, the Issuer operated direct Internet Banking and GSM Banking services available to customers in all of its business segments and operated a total of 156 ATMs, of which 56 are located in Prague. In 2020, the Issuer installed 19 deposit ATMs and overall had 125 deposit ATMs. As of 30 June 2020, 100 per cent. of the Issuer's ATMs have a contactless reader, thanks to which customers can withdraw money with their card or using their phone or watch with Apple Pay and RaiPay.

## **Competition**

The Issuer faces increasing competition in the banking and financial services market in the Czech Republic. Such competition has become more intense as a result of the opening of the financial services market following the Czech Republic's accession to the EU on 1 May 2004. The Issuer competes with other banks, financial services firms and a wide range of insurance companies in providing mutual fund, capital markets and advisory services and financial and insurance products. Many foreign-owned banks operating in the Czech market are expanding the range of services they offer.

In 2019, the banking sector concentrated primarily on stabilising developments, which were affected both by the impact of regulatory measures in the area of mortgages and by the uncertainty of global economic developments. According to expectations, the rate of growth in credit transactions slowed down, especially in the corporate segment. By contrast, mortgage lending, despite a significant fall in new production at the start of the year, maintained a steady growth rate. On the deposit side, a completely opposite trend could be observed. While pressure was eased for households to increase their savings, corporate clients increased their deposits to a greater extent than in 2018. Overall, the Czech banking sector remains robust and stable, adequately equipped with capital, liquid, and profitable.

In 2019, the Issuer continued to focus on client satisfaction while reinforcing its position as the fifth strongest player in the market with a 4.86 per cent. share in total assets. Increasing the total volume of deposits by more than 7 per cent. brought the Issuer's market share to a final 6.11 per cent. The growth rate of loans provided by the Issuer also outperformed the market, increasing its market share to 7.24 per cent. With respect to the structure of deposits, the trend of faster growth in time deposits set in the previous year continued in 2019. The total volume of time deposits managed by the Issuer increased by 25.4 per cent., which is more than double the market level, and hence also increased the Issuer's market share to 3.2 per cent. In the corporate sector, the growth rate of the Issuer's deposits did not differ significantly from that of the market, and therefore, its market shares also recorded only slight changes. In the segment of non-financial corporations, which accounts for more than three quarters of corporate deposits, the Issuer's market share reached 8.98 per cent. at the end of the year. Household deposits gradually became the dominant component of total deposits with their current share of 53.1 per cent. Their volume increased by 8.7 per cent. in 2019, and the Issuer manages 6.11 per cent. of all citizens' deposits in the banking sector. The volume of deposits of business owners fell slightly, and the Issuer's market share is now lower than at the end of 2018, i.e. 5.73 per cent. With respect to lending, the Issuer performed better in the corporate segment, which accounts for 52.6 per cent. of the Issuer's total loans. The volume of loans in this segment rose by more than 6 per cent., which significantly exceeded the growth rate of the market, thus increasing the bank's market share to 7.49 per cent. The growth rate of loans provided by the Issuer only to non-financial corporations remained slightly below the market level, and the Issuer now manages 7.85 per cent. of these loans. As in the market, the Issuer's loan portfolio experienced a decline in demand for mortgages. As a result, total lending to households slowed the growth rate to 4 per cent., and the Issuer achieved a market share of 7.05 per cent. The volume of mortgages increased by 7.2 per cent. during 2019, which means a market share of 7.40 per cent. In the area of consumer loans, the Issuer provided 10 per cent. more new loans than in 2018. Nevertheless, due to a methodological change in the definition of consumer and mortgage loans, the total volume of consumer loans decreased by more than 6 per cent. and thus the Issuer also has a lower market share of 8.21 per cent. The volume of loans provided to business owners increased by 3.6 per cent., and the Issuer's market share now stands at 4.59 per cent.

Currently, the Czech banking market is 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. Recently, the Czech banking market has seen the emergence of several low-cost banks primarily focused on providing internet-based banking services. Issuer's principal competitors in the retail banking and SME segments are Československá obchodní banka, a. s., Komerční banka, a.s. and Česká spořitelna, a.s., which are the top three market participants according to the CNB data, and UniCredit Bank. In the corporate banking segment, the Issuer's main competitors include Československá obchodní banka, Česka spořitelna, Komerční banka and UniCredit Bank. For a list of the Issuer's competitors on the mortgage market, see "*Mortgage Loans and Their Regulatory Framework—General Conditions of the Market—Main Competitors*". For risks related to competition, see "*Risk Factors—The Issuer competes against several large international financial institutions and may face increased competition from less established banks or new entrants*".

#### **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**

Moody's Deutschland GmbH has granted the Issuer following credit ratings (valid as of 30 June 2020):

- Long-term Counterparty Risk Ratings - A2
- Short-term Counterparty Risk Ratings - P-1
- Long-term Bank Deposits - A3
- Short-term Bank Deposits - P-2
- Long-term Counterparty Risk Assessment - A2(cr)
- Short-term Counterparty Risk Assessment - P-1(cr)
- Baseline Credit Assessment - baa2
- Adjusted Baseline Credit Assessment - baa2

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).

## **Material Changes in the Issuer's Financing Structure**

Since the last financial year, there has been no material changes in the Issuer's financing structure. Emitter has an international covered bond programme from year 2014. However, this source is used only as a potential source of foreign exchange. Issuer is not dependent on the external financing as the customer's deposits and its equity exceed client's loans. As of 2020, equity of the Issuer has increased due to acquisition of 90 % share in Raiffeisen stavební spořitelna a.s.

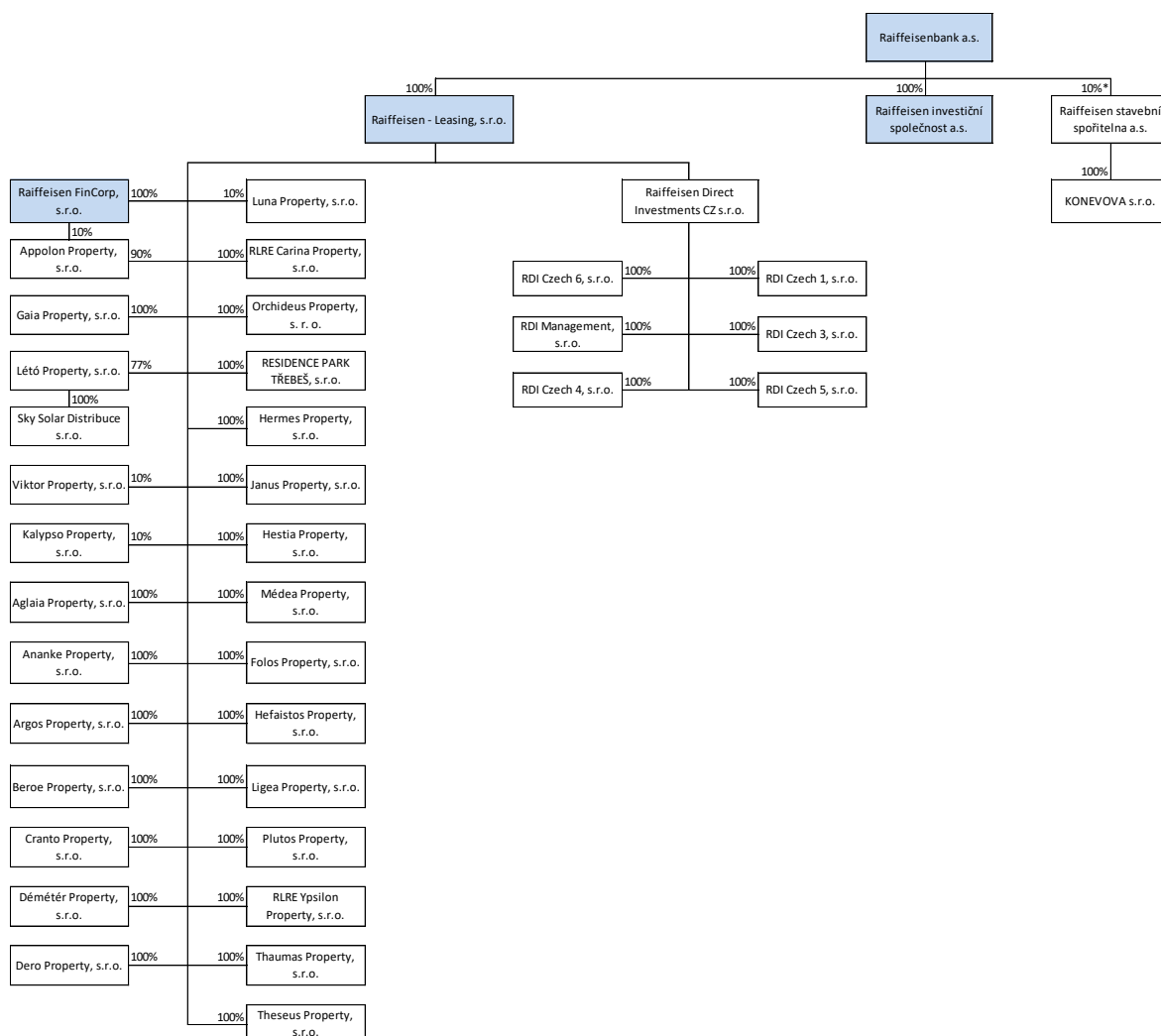
## **Description of the Expected Financing of the Issuer's activities**

The strategy of the Issuer for the upcoming years remains unchanged. The emphasis will be put on the deposits of the retail and commercial clients. The goal is to be self-financing bank using these sources of financing together with the equity of the Issuer.

Furthermore, the Issuer has a notes programme enabling issuance of subordinated notes indented to qualify as Tier 2 instruments, ordinary senior eligible notes and non-preferred senior eligible notes. Amongst others, this programme serves as a source of subordinated liabilities to fulfil the MREL requirement.

## **Corporate Structure**

The Raiffeisen Group conducts its operations in the Czech Republic through various principal subsidiaries. The Issuer's relationship to and shareholdings in its subsidiaries as of 30 June 2020 are shown in the following diagram:



\* Due to the percentage of ownership, the ownership interest is included in the Financial Assets portfolio at fair value reported in Other Comprehensive Income according to IFRS. The diagram does not reflect completion of the acquisition by the Issuer of 90 per cent. stake in Raiffeisen stavební spořitelna a.s. (which occurred in December 2020).

Some of the subsidiaries shown in the diagram above are not consolidated in the Issuer's financial statements due to their immateriality. For an overview of companies that are consolidated in the Issuer's financial statements as of 31 December 2019, see "*Description of the Issuer – Raiffeisen Group*" above.

### ***Raiffeisen investiční společnost a.s.***

RIS commenced its operations in mid-2013 upon listing its first two funds on the capital market. During 2019, it issued mutual funds for CZK 7.5 billion and by 31 December 2019, it managed funds with a total value of CZK 22.8 billion, and the average appreciation of unit holders' assets of around 8 per cent.

RIS funds include a full range of investment opportunities for all types of investors depending on their risk profile. The most popular funds of 2019 were three funds – strategies for the three most common types of clients, two new secured funds, and a real estate fund, and unit holders invested more than half of the total volume in these funds.



### ***Raiffeisen-Leasing, s.r.o.***

Raiffeisen-Leasing was founded in 1994 and as part of the Raiffeisen Group, it specialises in providing leasing services to both corporate entities and private individuals.

Raiffeisen-Leasing has been operating on the Czech market for 25 years, and from the very beginning, it has maintained a stable role as a reliable and responsible financial partner.

In 2019, Raiffeisen-Leasing financed in new commercial transactions commodities and real estate for a total volume of CZK 10.178 billion, which is a year-on-year increase of 5 per cent. Net profit in 2019 was a total of CZK 399.3 million, which is a year-on-year increase of 63 per cent. As at 31 December 2019, the total value of Raiffeisen-Leasing's consolidated assets was CZK 23.555 billion.

Raiffeisen-Leasing offers companies and individuals a unique range of financing for their investment needs. Raiffeisen-Leasing finances automobiles, heavier transport vehicles, machinery, equipment, and technology. It also often provides financing to corporate clientele for specific assets, such as aircraft and locomotives. Raiffeisen-Leasing has unique knowledge relating to the non-bank financing of real estate, thanks to which it has contributed to the construction and renovation of hotels, business centres, residential quarters, and similar projects. In 2019, Raiffeisen-Leasing added consultation relating to subsidies to its portfolio of services, which is popular and highly valued by its clients.

In 2020, Raiffeisen-Leasing will continue to reinforce its position in the financing of private and commercial vehicles, real estate, machinery and equipment, and handling and transport technology.

### ***Raiffeisen stavební spořitelna a.s.***

RSTS has operated in the Czech market since September 1993, originally under the name AR Stavební spořitelna a.s. RSTS was integrated into the Raiffeisen Group in 1998 when Raiffeisen Bausparkasse GmbH increased its stake in RSTS to 75 per cent., and the remaining 25 per cent. stake in RSTS was acquired by the Issuer. In 2005, Raiffeisen Bausparkasse GmbH transferred its share to its company, Raiffeisen Bausparkassen Holding GmbH, which became the integrating link between the savings banks of the RBI Group in various countries. As of 27 August 2008, following the merger of RSTS with the former HYPO stavební spořitelna a.s., the share of the Issuer in RSTS decreased to 10 per cent. The remaining 90 per cent. was owned by Raiffeisen Bausparkassen Holding GmbH. In December 2020, the Issuer completed the acquisition of 90 per cent. stake in RSTS from Raiffeisen Bausparkasse GmbH. Therefore, as of December 2020, RSTS is fully owned by the Issuer.

The year of 2019 was marked by the development of social networks in RSTS. In addition to its well-established profile on Facebook, it also focused on actively starting communication on Instagram and on the professional social network LinkedIn. For the second time, RSTS participated in Open House Prague, as a part of which RSTS opened its door to the public. RSTS was successful in the Zlatá koruna competition with a building savings product for children and young people under the age of 26. The product received third place from the expert jury. Jan Jeníček, the Chairman of the Board of Directors of RSTS, achieved significant success when he was re-elected President of the European Building Society Association in October 2019.

### **Principal Markets**

The Issuer operates primarily in the Czech market and is present in all regions of the Czech Republic. It is a universal bank and offers services to both foreign and domestic retail clients, small and medium enterprises, large corporate customers, institutional clients and high net worth individuals, in both Czech Koruna and foreign currencies.

## **Information and Communication Technology**

ICT systems used by the Issuer are crucial to its businesses operations (and the expansion thereof), operating efficiency, risk management and control systems. The Issuer's ICT Services provides both IT development and IT operation functions based on the continuous improvement and process management. The provision of centrally managed ICT services is driven by the objective of creating reliable and secure systems, while ensuring cost efficiency and sharing synergies.

The Issuer owns a number of production data centres. For IT applications crucial to its business, the Issuer maintains disaster recovery systems. In accordance with international standards, the Issuer has adopted various instruments and measures to secure the business continuity of its operations. These measures are implemented in accordance with the internal business continuity management ("**BCM**") rules of the Issuer, which establish principles to prevent and manage the risk of disruption to company operations.

Based on the BCM standards, the Issuer evaluates such risk and formulates business continuity plans ("**BCPs**") and disaster recovery plans ("**DRPs**"). BCPs and DRPs are regularly tested at back-up workplaces. The data centres were established to ensure the system and disk settings are efficiently updated and the elements of the network used for the same are in accordance with international standards. These data centres are equipped with backup generators and other security elements.

## **Properties**

As of 30 June 2020, the Raiffeisen Group holds properties (land plots and buildings) with a net book value of CZK 8.08 million. Of these, the properties owned for investment purposes had a book value of CZK 0 as of 30 June 2020.



## Liquidity Risk

Liquidity risk includes both the risk of the Issuer's inability to raise funds to cover the Issuer's assets using instruments with appropriate maturity and the risk of the Issuer's inability to sell assets at a reasonable price within a reasonable time frame.

The following table shows the remaining maturity of contractual cash flows arising from financial liabilities in thousands of Czech Koruna as of 31 December 2019:

	As of 31 December 2019					
	Carrying amount	Total Contractual Liability	0 – 3 months	3 – 12 months	1 – 5 years	Over 5 years
	<i>(in CZK thousands)</i>					
Deposits from banks .....	21,900,262	21,922,045	13,270,335	3,566,034	5,085,676	-
Deposits from customers ...	290,690,817	290,818,368	285,077,414	5,576,478	125,195	39,281
Debt securities issued .....	12,692,483	13,086,655	201,658	-	12,884,997	-
Subordinated liabilities and bonds .....	3,308,732	4,429,101	-	5,954	608,551	3,814,596
Other financial liabilities ...	4,063,692	4,167,639	2,120,145	255,031	1,173,785	618,678
Other liabilities .....	937,062	937,062	937,062	-	-	-
Off-balance sheet items <sup>(1)</sup> ..	46,418,697	46,418,697	5,499,742	9,645,371	18,392,537	12,881,047

(1) Off-balance sheet items include all irrevocable credit commitments provided to the Issuer's customers, guarantee commitments, and guarantees and letters of credit provided to customers.

Source: Company information; Issuer's 2019 Annual Report

The following table shows the remaining maturity of contractual cash flows arising from financial liabilities in thousands of Czech Koruna as of 31 December 2018:

	As of 31 December 2018					
	Carrying amount	Total Contractual Liability	0 – 3 months	3 – 12 months	1 – 5 years	Over 5 years
	<i>(in CZK thousands)</i>					
Deposits from banks .....	32,135,721	32,183,896	25,431,324	6,752,572	-	-
Deposits from customers ...	271,118,509	271,232,927	266,617,024	1,885,948	2,691,214	38,741
Debt securities issued .....	19,599,578	19,876,585	110,241	12,713,544	5,772,145	1,280,655
Subordinated liabilities and bonds .....	2,577,259	3,534,967	-	108,799	482,787	2,943,381
Other financial liabilities ...	2,943,975	2,943,975	2,943,975	-	-	-
Other liabilities .....	829,834	829,834	829,834	-	-	-
Off-balance sheet items <sup>(1)</sup> ..	44,958,761	44,958,761	4,866,099	8,799,895	16,080,891	15,231,876

(1) Off-balance sheet items include all irrevocable credit commitments provided to the Issuer's customers, guarantee commitments, and guarantees and letters of credit provided to customers.

Source: Company information; Issuer's 2019 Annual Report

The Issuer has access to diversified sources of funding, which comprise deposits and other savings, issued securities, loans accepted including subordinated loans and the Issuer's equity. This diversification makes the Issuer flexible and reduces its dependency on one source of funding. The Issuer regularly evaluates its liquidity exposure, in particular by monitoring the changes in the structure of financing and comparing these changes with the Issuer's liquidity risk management strategy, which is approved by the Issuer's Board of Directors. As part of

its liquidity risk management strategy, the Issuer also holds a portion of its assets in highly liquid instruments, such as government treasury bills and similar bonds and repurchase transactions with the CNB.

The Issuer uses internal statistical models for diversification of the maturity of client deposits. These models are reassessed on a regular basis.

#### *Foreign Exchange Risk*

The foreign currency risk is the risk arising from currency markets. The source of this risk is the Issuer's foreign currency position which arises from the mismatch of the Issuer's assets and liabilities, including the currency-sensitive off-balance sheet items. The majority of foreign currency gains or losses is due to changes in foreign currency rates in currency positions of the Issuer denominated in EUR and USD.

Foreign exchange risk is managed by setting trading limits. The Issuer uses a set of limits established by reference to the standards of the RBI Group. The limits are set for individual currencies and for the overall currency position. Internal currency position limits fully respect the limits set by the local regulatory body. These techniques are complemented by monitoring currency risks using VaR.

The below table shows the foreign exchange risk ascertained through the VaR method as of and average for the year ended 31 December 2019, 2018 and as of 30 June 2020:

	<u>As of 30 June 2020</u>	<u>As of 31 December 2019</u>	<u>Average in 2019</u>	<u>As of 31 December 2018</u>	<u>Average in 2018</u>
		<i>(in CZK thousands)</i>			
Foreign exchange risk VaR.....	2,649	285	1,000	1,214	2,663

*Source: Company information; Issuer's 2019 Annual Report*

#### *Interest Rate Risk*

The Issuer is exposed to interest rate risk since the interest-bearing assets and liabilities have different maturity dates, periods of interest rate changes/adjustments and volumes during these periods. In the case of variable interest rates, the Issuer is exposed to a basis risk arising from the difference in the mechanism of adjusting individual types of interest rates, such as PRIBOR, announced interest on deposits, etc. The interest rate risk of the Issuer is primarily impacted by the development in interbank interest rates, including the negative rates. The Issuer's interest rate risk management activities are aimed at optimising the Issuer's net interest income in accordance with its strategy approved by the Board of Directors. In managing the interest rate risk, the Issuer uses (as in the case of liquidity management) statistical models for distribution of those items where it is unable to determine the exact moment of repricing of interest rates or contractual maturity (for example on current accounts)

The Issuer mostly uses interest rate derivatives to manage the mismatch between the rate-sensitivity of assets and liabilities. These derivative transactions are concluded in accordance with the asset and liability management strategy as approved by the Issuer's Board of Directors.

Part of the Issuer's income is generated through a targeted mismatch between rate-sensitive assets and rate-sensitive liabilities. In managing the interest rate risk, the carrying amounts of these assets and liabilities and the nominal (notional) values of interest rate derivatives are recorded either in the year in which they are due or in which the interest rate resets, whichever occurs first. Due to the anticipated preliminary repayment or undefined maturity dates, certain assets or liabilities are allocated to individual periods based on an expert estimate.

The Issuer manages the interest rate risk of the banking book and the trading book separately, at the level of individual currencies. The interest rate position is monitored based on the sensitivity of the position to the shift in the interest rate curve (BPV). The BPV (basis point value) method involves determining the change in the present value (both in total and individual time periods) of the portfolio when interest rates shift by one basis point (0.01 per cent.). This method is complemented by monitoring interest rate risks using the VaR method.

The below table shows the interest rate risk ascertained through the VaR method as of and average for the year ended 31 December 2019, 2018 and as of 30 June 2020:

	<u>As of 30 June 2020</u>	<u>As of 31 December 2019</u>	<u>Average in 2019</u>	<u>As of 31 December 2018</u>	<u>Average in 2018</u>
			<i>(in CZK thousands)</i>		
Total interest rate risk VaR.....	12,220	6,988	8,057	23,274	9,435

Source: Company information; Issuer's 2019 Annual Report

#### Equity Risk

Equity risk is the risk of fluctuations of prices of (i) equity instruments held in the Issuer's portfolio; and (ii) financial derivatives related to these instruments. This risk predominantly arises from trading with equity instruments. As the Issuer does not trade shares on its own account, it is exposed to indirect equity risk arising from the shares held by the Issuer as collateral for customer loans.

Equity risk is managed by trading position limits. Market risks arising from the Issuer's equity trading activities are managed using the limits of maximum open positions in equity instruments together with the VaR method. At the end of 2013, the Issuer suspended trading with equity instruments. Therefore, the limits are set to zero.

#### Market Spread Risk

To determine the risk of change in market spreads for forward exchange contracts (in the trading portfolio) and for its own positions in debt instruments (state and corporate), the Issuer also uses the VaR method.

The below table shows the market spread risk ascertained through the VaR method as of and average for the year ended 31 December 2019, 2018 and as of 30 June 2020:

	<u>As of 30 June 2020</u>	<u>As of 31 December 2019</u>	<u>Average in 2019</u>	<u>As of 31 December 2018</u>	<u>Average in 2018</u>
			<i>(in CZK thousands)</i>		
Total market risk VaR.....	194,658	76,463	92,749	98,003	48,748

Source: Company information; Issuer's 2019 Annual Report

#### Operational Risk

Operational risk is defined as the risk of loss arising from the inappropriateness or failure of internal processes, human errors or failures of systems or the risk of loss arising from external events.

In respect of the operational risk, the Issuer applies the standardised approach to calculating capital adequacy. In the future, it intends to implement the advanced (AMA) approach. At present, changes are being implemented so that the advanced approach could be applied. The Issuer is planning to file the application for the regulator's approval of this approach in coordination with the parent company RBI.

The basic principle is the responsibility of each employee for the identification and escalation of the operational risk and for timely and accurate reporting of incidents. The Issuer has a central operational risk management function in place, which is responsible for the setting of the methodology, measurements or analyses and which provides methodical support to managers.

Operational risk management primarily draws upon the following:

- (a) event data collection;
- (b) general ledger analysis;
- (c) risk assessment;
- (d) scenario analysis;
- (e) early warning indicators; and

(f) mitigation plans.

The objective of collecting data on the losses arising from operational risk events is not only to accumulate information but predominantly to analyse them. More serious cases are presented to and discussed by the Operational Risk Management Committee. Through the Operational Risk Management Committee, the Issuer also presents, discusses and approves measures aimed at minimising or fully eliminating further occurrence of similar events. Specific responsibilities are determined for the implementation of proposed changes and their fulfilment is reviewed by the Operational Risk Management Committee. Other cases are dealt with by the relevant departments.

The general ledger analysis provides reconciliation between the reported loss and its recognition in the books.

The risk assessment is used to raise awareness of operational risks, clarify individual processes and mitigate the operational risks identified. The risk assessment determines the risk of individual processes, organisational units or activities. The risk level is a relevant value for taking measures within qualitative risk management.

The scenario analysis is a process used by the Issuer to consider the impact of extreme but probable events on its activities, assess the probability of occurrence and estimate significance of the impact on a scale of possible results. The scenario analysis aims at: (i) providing a potential method to record a specific event that occurred in a specific organisation; and (ii) increasing awareness and educating management by providing insight into various types of risks and managing the plan of remedies and investments.

Early warning indicators are used for the ongoing monitoring and reporting of the risk exposure to operational risk. They provide early warning to take possible steps or make changes in the risk profile, which may initiate management measures. The monitored early warning indicators include for example the number of dismissed employees, the supplier's financial dependence on the Issuer, deposit outflows in the retail portfolio, complex projects, major projects exceeding two years, the number of pending litigations or the number of counterfeit notes.

The Issuer defines and reviews the Risk Appetite on a regular basis. In using the above-specified instruments, the Issuer compares the identified risks with the appetite and prepares mitigation plans for the risks that exceed the appetite.

All instruments are used in a regular annual cycle.

#### *Credit Risk*

The Issuer takes on exposure to credit risks resulting from its trading activities, provision of loans, hedging transactions, investment activities and agency services.

Generally, the Issuer requires collateral for loans granted to certain debtors prior to the issuance of the loan. To determine the realisable value of collateral of immovable and movable assets, the Issuer refers to estimates of usual prices revised by a specialised department of the Issuer or internal assessments prepared by this department of the Issuer. In other types of hedging instruments, their value including the recalculated value is determined in line with the internal standards of the Issuer. The realisable value of collateral is subsequently determined by discounting the appraised value using a correction coefficient which reflects the Issuer's ability to realise the collateral as and when required. The Issuer regularly reviews and updates collateral values depending on the type and quality of the collateral, usually no later than on an annual basis.

The principal credit risk management methods in Retail division include in particular rating based on the application and behavioural scoring. The risks are managed on a portfolio level through the portfolio management approach, through the management of the approval process based on the regular monitoring of the portfolio quality development, and prediction of potential future loss development.

The credit risk in the Non-retail division is measured through rating scales and each rating category is allocated a certain risk rate (default probability and a coefficient for determining risk weighted assets). The risk measured using this method can be mitigated through collateral according to effective regulations of the CNB.

The Issuer maintains a system of internal limits for individual countries, sectors and clients (or groups of economically connected clients) in order to be able to manage risks connected with significant concentration of credit risk.

The Issuer has special functions in place which are responsible for the recovery and administration of distressed receivables. These functions undertake legal steps, perform the restructuring of receivables, communicate with problematic clients, etc. in order to achieve maximum recovery, including collateral recovery, and representing the Issuer in creditors' committees under insolvency proceedings.

The measurement of expected credit losses reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of the money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of the expected credit loss allowance for financial assets measured at amortized cost and fair value through other comprehensive income is an area that requires the use of complex models and significant assumptions about future economic conditions and payment behaviour.

The estimation of the credit risk for risk management purposes is complex and requires the use of models, as the risk varies with changes in market conditions, expected cash flows and the passage of time. The assessment of the credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, the associated default ratios and the default correlations between counterparties. The Issuer measures credit risks using the probability of default (PD), exposure at default (EAD) and loss given default (LGD). This is the predominant approach used for the purposes of measuring expected credit losses under IFRS 9. IFRS 9 prescribes a three-stage model for impairment based on changes in credit quality from the point of initial recognition. Under this model, a financial instrument that is not credit-impaired on initial recognition is classified in Stage 1 and has its credit risk continuously monitored. If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to Stage 2 but is not yet deemed to be credit-impaired. If the financial instrument is deemed credit-impaired, it is then moved to Stage 3.



## MANAGEMENT AND EMPLOYEES

The Issuer is a Czech joint-stock company established and operating under Czech law. The Issuer, its management and the Issuer's corporate setup are governed in accordance with the Articles of Association of the Issuer which can only be amended by a two thirds majority vote of all shareholders present at the General Meeting of the Issuer. As of the date of this Base Prospectus, the conclusive version of the Articles of Association of the Issuer is the wording as of 11 December 2018, as filed in the Issuer's collection of deeds in the Czech Commercial Register which is publicly accessible at [www.justice.cz](http://www.justice.cz). The business address of each of the directors (as well as the members of the Supervisory Board, the Executive and Audit Committees) is the Issuer's registered office at Hvězdova 1716/2b, 140 78 Prague 4, Czech Republic.

### Management Structure and Committees

The Issuer has a two-tier board system consisting of a Board of Directors and a Supervisory Board. The General Meeting of shareholders 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 Board of Directors represents the Issuer in all matters and is charged with its 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. Under the Czech Corporations Act, the Supervisory Board may not make management decisions. However, its prior approval is required by law or the Articles of Association for certain matters.

The Issuer has also established the Executive Committee, which, pursuant to the Articles of Association, is a supervisory body representing the Issuer's shareholders elected by, and reporting to, the General Meeting of shareholders, but whose scope of competence is currently limited to credit decisions. The Issuer also established the Audit Committee, which is an independent governing body of the Issuer elected by and reporting to the General Meeting of shareholders.

### Board of Directors

The Board of Directors of the Issuer manages the activities of the Issuer, acts on behalf of the Issuer and makes decisions in all matters of the Issuer unless such decisions are reserved for the General Meeting or the Supervisory Board. The Board of Directors of the Issuer is responsible for the business management of the Issuer including, but not limited to, proper bookkeeping and accounting. The operation of the Board of Directors and the conduct of its meetings are further regulated in the Bylaws of the Board of Directors.

Pursuant to its Articles of Association, the Board of Directors of the Issuer consists of seven members, who are appointed and recalled by the Supervisory Board. The members of the Board of Directors of the Issuer are appointed for a term of three years. There are no limits on reappointment and members are reappointed for a term of five years. As of the date of this Base Prospectus, the Board of Directors has all seven members.

The composition of the Board of Directors of the Issuer, and the respective positions of the individual Directors, as of the date of this Base Prospectus, is set out below:

Name	Year of Birth	Position	Commencement of Membership in Board of Directors	Commencement of Current Term of Office	Date of Expiration of Current Term of Office
Igor Vida	1967	Chairman	1 April 2018	3 April 2018	3 April 2023
František Ježek	1972	Member	1 October 2012	1 October 2020	1 October 2025
Vladimír Kreidl	1974	Member	1 October 2013	1 October 2016	1 October 2021
Miloš Matula	1976	Member	1 January 2014	1 January 2017	31 December 2021
Martin Stotter	1976	Member	15 April 2018	15 April 2018	15 April 2021
Vladimír Matouš	1961	Member	1 July 2018	1 July 2018	1 July 2021
Tomáš Jelínek	1976	Member	1 January 2020	1 January 2020	1 January 2023

#### *Igor Vida*

Mr. Igor Vida has been the Chairman of the Board of Directors and the Chief Executive Officer of the Issuer since April 2015. Mr. Vida graduated from the Slovak University of Technology in Bratislava, Slovakia, and completed the General Management Program at Harvard Business School. Prior to joining the Issuer, he worked for over 20 years at Tatra banka, a.s. in Slovakia, commencing in 1992. In 1997, he became a member of its Board of Directors and became the Chairman of the Board of Directors and the Chief Executive Officer of Tatra

banka, a.s. in 2007. Igor Vida resigned from the position of Chairman of the Board of Directors of Tatra banka, a.s. on 31 March 2015. On 21 April 2015, he became the Vice-Chairman of the Supervisory Board of Tatra banka, a.s., from which he resigned on 15 May 2020.

#### ***František Ježek***

Mr. Ježek has been a member of the Board of Directors of the Issuer since October 2012 as a member of the Board of Directors responsible for its Risk Management. Since 15 April 2018 Mr. Ježek became member of the Board of Directors responsible for Corporate banking. He is also the Chairman of the Corporate Products Committee. Mr. Ježek graduated from the University of Economics, Prague, in 1996. Prior to working at the Issuer, he worked at the Vienna headquarters of Raiffeisen Bank International AG as the head of retail risk for all of the 15 markets in Central and Eastern Europe. Prior to working at RBI, he worked at Multiservis and in the GE Money group.

#### ***Vladimír Kreidl***

Mr. Kreidl has been a member of the Board of Directors and Executive Director of the Issuer responsible for Retail Banking since October 2013. Mr. Kreidl graduated from the Institute of Economics Studies of the Charles University in Prague. Prior to joining the Issuer, he worked at McKinsey & Company starting from 2001 and became a partner in 2008. From 1995 to 2000, he worked at Patria Finance, a.s., eventually as a partner, where he, among other, co-founded and managed Patria Online. He is also the Chairman of the Pricing and Interest Committee, the Chairman Marketing Committee and a member of Projects Committee.

#### ***Miloš Matula***

Mr. Matula has been a member of the Board of Directors and Executive Director of the Issuer responsible for the area of Operations since January 2014. Prior to joining the Issuer, he worked as consultant at Accenture from 2000 to 2007. From 2007 to 2009, he worked at Raiffeisen Bank International AG as Vice President, Head of Service Excellence. From November 2009 to December 2013, he worked at ZUNO BANK AG as Chief IT Officer ("CIO"), Chief Operations Officer ("COO") and a Member of the Board of Directors and member of Project Steering Committee.

#### ***Martin Stotter***

Mr. Stotter has been a member of the Board of Directors responsible for Risk management since 15 April, 2018. Prior to joining the Issuer since March 2016, he has worked in the sister Raiffeisen Bank a.d. (Serbia) as a member of the Board of Directors responsible for Risk management. From 2014 to 2016 he was a member of the Board of Directors responsible for Risk management at Raiffeisen Bank d.d. (Slovenia). From 2012 to 2014, he worked at Raiffeisen Landesbank Steiermark AG, Graz as Deputy Chief Risk Officer (COO) and Chief Operating. Mr. Stotter is also the Chairman of the Credit Committee, the Operational Risk and Control Management Committee, the Problem Loans Committee and the Retail Risk Management Committee.

#### ***Vladimír Matouš***

Mr. Matouš has been a member of the Board of Directors responsible for Information Technology since 1 July, 2018. Prior to joining the Issuer, he has been operating in Tatra Bank, a.s. (Slovakia) since 2010 as a Member of the Board of Directors responsible for IT. From 2008 to 2010, he worked for T-Systems Czech Republic as Senior Vice President of ICT Operations. From 2004 to 2008 he worked for T-Mobile Czech Republic as Vice President of Technology Operations. Mr. Matouš is also the Chairman of the IT Change Control Committee.

#### ***Tomáš Jelínek***

Mr. Jelínek has been a member of the Board of Directors responsible for Markets & Investment Banking since 1 January, 2020. Prior to joining the Issuer in 2005, he worked in Citibank. He started his career in Raiffeisenbank a.s. as Head of Retail Risk Department, then he held positions of Head of Retail Risk and Credit Portfolio Management and of Chief Financial Officer. He also worked for Raiffeisen Bank International AG as Head of Collection Program for two years.

## Supervisory Board

The Supervisory Board of the Issuer supervises the Issuer's activities and oversees the competence of the Board of Directors and the performance of the Issuer's business activities. In particular, the Supervisory Board reviews the ordinary, extraordinary, consolidated, and interim financial statements, and the proposal for distribution of profit or settling of losses, and submits a report with its opinion to the General Meeting. The operation of the Supervisory Board and the conduct of its meetings are further regulated in the Bylaws of the Supervisory Board. The list of matters, which require the prior consent of the Supervisory Board, is included in the Bylaws of the Supervisory Board. The Articles of Association of the Issuer require the Supervisory Board to meet at least twice per year.

Pursuant to the Articles of Association of the Issuer, the Supervisory Board of the Issuer consists of twelve members. The members of the Supervisory Board of the Issuer are appointed by the Issuer's General Meeting for a term of five years and there are no limits on reappointment. As of the date of this Base Prospectus, the Supervisory Board had all twelve members.

The following table sets forth the members of the Issuer's Supervisory Board as of the date of this Base Prospectus:

<b>Name</b>	<b>Year of Birth</b>	<b>Position</b>	<b>Commencement of Membership</b>	<b>Commencement of Current Term of Office</b>	<b>Date of Expiration of the Current Term of Office</b>
Lukasz Januszewski	1978	Chairman Vice-	24 April 2018	8 May 2018	8 May 2023
Peter Lennkh	1963	Chairman	17 October 2013	17 October 2018	17 October 2023
Andreas Gschwenter Hannes Mösenbacher	1969	Member	19 August 2015	20 August 2020	20 August 2025
Andrii Stepanenko	1972	Member	27 April 2017	27 April 2017	27 April 2022
Reinhard Schwendtbauer	1972	Member	24 April 2018	24 April 2018	24 April 2023
Helena Horská	1974	Member	25 April 2013	26 April 2018	26 April 2023
Pavel Hruška	1973	Member	11 January 2019	11 January 2019	11 January 2024
Michal Přádka	1977	Member	11 January 2019	11 January 2019	11 January 2024
Kamila Šťastná	1973	Member	11 January 2019	11 January 2019	11 January 2024
Johann Strobl	1959	Member	29 April 2019	29 April 2019	29 April 2024
Tatána Le Moigne	1967	Member	27 August 2019	27 August 2019	27 August 2024

### *Lukasz Januszewski*

Mr. Januszewski has been a member of the Supervisory Board of the Issuer from 24 April 2018 and on 8 May 2018 he was elected Chairman of the Supervisory Board. From March 2018, he is a member of the Board of Directors of Raiffeisen Bank International AG responsible for Markets & Investment Banking. Since 1998, Mr. Januszewski has worked in Raiffeisen Bank Polska in various positions connected with Treasury, Capital Markets and Investment Banking. From 2007 to 2018 he was a Member of the Board of Directors responsible for Markets & Investment Banking.

### *Peter Lennkh*

Mr. Lennkh has been a member of the Supervisory Board since October 2013. He was elected as Deputy Chairman of the Supervisory Board of the Issuer in December 2013. Prior to this, he was a member of the Supervisory Board of Raiffeisenbank a.s. from 2005 to 2007. In 1988, he joined Raiffeisen Zentralbank AG, and since that time, he has worked in various positions in the Raiffeisen Group. In January 2005, he became a member of the Board of Directors of Raiffeisen Bank International AG, now responsible for Corporate Banking.

### *Andreas Gschwenter*

Mr. Gschwenter has been a member of the Supervisory Board of the Issuer since August 2015. He holds an MBA degree from the University of Innsbruck. From 2010, he was a member of the Board of Directors of the Ukrainian Raiffeisen Bank Aval responsible for IT and Operations. In July 2015, he became a member of the Board of

Directors of RBI responsible for IT and Operations. He previously held various positions at Bank Austria Creditanstalt and HVB in Romania, Serbia and, most recently, prior to joining Raiffeisen Bank Aval, he was a Member of the Managing Board of UniCredit Bank Russia.

***Hannes Mösenbacher***

Dr. Mösenbacher has been a member of the Supervisory Board of the Issuer since April 27 2017. Since March 2017, he has been a member of the Board of Directors of RBI, responsible for the area of risk management ("CRO"). Prior to 2009 he worked for RBI (Raiffeisen Zentralbank Österreich AG) as Head of Risk Controlling. From 2000 to 2008, he was employed at Bank Austria Creditanstalt, Vienna in various positions associated with risk management.

***Andrii Stepanenko***

Mr. Stepanenko has been a member of the Supervisory Board of the Issuer since 24 April 2018. At the same time he became a Member of the Board of Directors of RBI responsible for Retail Banking. Under the Raiffeisen brand he has been working since 1998, first at AKB Raiffeisenbank Ukraine, subsequently in Raiffeisen Zentralbank AG. From 2003 to 2007 he worked at ZAO Raiffeisenbank Austria, where he was responsible for Risk management. Since 2012 he has been in various positions in the Russian AO Raiffeisenbank, most recently as Vice-Chairman of the Board of Directors responsible for Retail Banking and SME.

***Reinhard Schwendtbauer***

Mr. Schwendtbauer has been a member of the Supervisory Board of the Issuer since April 2013. Since 1997, he worked at Raiffeisenlandesbank Oberösterreich as the Head of the Secretariat of the Board of Directors and currently serves as a member of its Board of Directors. From 1999 to 2000, he worked at the Federal Ministry of Agriculture and Forestry. From 2001 to 2012, he was the managing partner and shareholder in Finadvice Österreich, Linz.

***Helena Horská***

Mrs. Horská has been the member of the Supervisory Board of the Issuer, elected by the employees of the Issuer, since 11 January 2019. She has been working for the Issuer since 2004, currently being in the position of Head of Economic Research.

***Pavel Hruška***

Mr. Hruška has been the member of the Supervisory Board of the Issuer, elected by the employees of the Issuer, since 11 January 2019. He has been working for the Issuer since 2005, currently in the position of Head of Operational Risk.

***Michal Přádka***

Mr. Přádka has been the member of the Supervisory Board of the Issuer, elected by the employees of the Issuer, since 11 January 2019. He has been working for the Issuer since 1999 (originally at Expandia Bank), currently in the position of Head of Region - North Moravia.

***Kamila Šťastná***

Mrs. Šťastná has been the member of the Supervisory Board of the Issuer, elected by the employees of the Issuer, since 11 January 2019. She has been working for the Issuer since 1999, currently in the position of Head of Large Corporates Team

### ***Johann Strobl***

Dr. Strobl has been the member of the Supervisory Board of the Issuer since April 2014 and he is also a member of the Executive Committee and member of the Audit Committee of the Issuer. Dr. Strobl graduated from Vienna University of Economics and Business. Prior to his engagement with the Issuer, he worked at the Vienna University of Economics and Business and in numerous positions (including as the CRO/CFO and as board member) of Bank Austria Creditanstalt. In March 2017, he became Chairman of the Board of Directors and CEO of RBI.

### ***Tat'ána Le Moigne***

Mrs. Le Moigne has been an independent member of the Supervisory Board of the Issuer since 27 August 2019. She graduated from the University of Economics in Prague. Since 2006, she has been the CEO of Google Czech Republic. She also holds the position of Country Director of the Slovak Republic, Hungary and Romania at Google.

### **Executive Committee**

The Executive Committee of the Issuer consists of three members all of whom are appointed by the General Meeting of the Issuer. As of the date of this Base Prospectus, the Executive Committee has all three members. The members of the Executive Committee of the Issuer are appointed for a term of four years and there are no limits on reappointment. A member of the executive Committee may be a member of the Supervisory Board.

The Executive Committee is a representative body of shareholders, which ensures that the performance of business activities of the Issuer is in line with the shareholders' interests. Certain measures, in particular business matters and specific legal acts on behalf of the Issuer, require the prior approval of the Executive Committee. The list of such matters is included in the Bylaws of the Executive Committee.

The members of the Executive Committee as of the date of this Base Prospectus are Peter Lennkh, Hannes Mösenbacher, and Reinhard Schwendtbauer.

### **Audit Committee**

The Audit Committee of the Issuer consists of three members who are appointed by the General Meeting of the Issuer. The members of the Audit Committee of the Issuer are appointed for a term of five years and there is no limit on reappointment. A member of the Audit Committee may also be a member of the Supervisory Board.

The Audit Committee (i) supervises the production of the financial statements and consolidated financial statements; (ii) evaluates the effectiveness of internal control, internal audit and risk management of the Issuer; (iii) supervises the process of external audit of the financial statements and consolidated financial statements; (iv) considers the independence of the external auditor; (v) recommends the selection of external auditors and (vi) any other powers and responsibilities determined by the relevant EU directives, regulations and Czech laws, including primarily the Czech Act No. 93/2009 Coll., on Auditors, as amended (the "**Czech Auditors Act**"). The operation of the Audit Committee and the conduct of its meetings are further regulated in the Bylaws of the Audit Committee.

The following table sets forth the members of the Issuer's Audit Committee as of the date of this Base Prospectus:

<b>Name</b>	<b>Year of Birth</b>	<b>Position</b>	<b>Commencement of Membership</b>	<b>Commencement of Current Term of Office</b>	<b>Date of Expiration of the Current Term of Office</b>
Pavel Závitkovský	1955	Chairman	28 April 2016	28 April 2016	28 April 2021
Andrea Vlasek	1973	Member	10 December 2009	12 December 2019	12 December 2024
Stanislav Staněk	1968	Member	28 April 2016	28 April 2016	28 April 2021

## 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, the Executive Committee, the Audit Committee or the Supervisory Board owed to the Issuer and their private interests or other duties.

### Principal Activities Outside of the Issuer

The following table provides an overview of principal activities significant to the Issuer, performed by members of Issuer's bodies outside of the Issuer (beyond the positions outlined above), as of the date of this Base Prospectus:

<u>Members of the Board of Directors</u>	<u>Activity</u>
Igor Vida	<b>Member of the Supervisory Board of:</b> <ul style="list-style-type: none"><li>• Raiffeisen stavební spořitelna a.s.</li><li>• Raiffeisen – Leasing, s.r.o.</li></ul> <b>Member of:</b> <ul style="list-style-type: none"><li>• the Administrative Board of Ekonomická univerzita v Bratislave</li></ul>
František Ježek	<b>Member of the Supervisory Board:</b> <ul style="list-style-type: none"><li>• Raiffeisen – Leasing s.r.o. (chairman)</li></ul>
Vladimír Kreidl	<b>Member of the Supervisory Board of:</b> <ul style="list-style-type: none"><li>• Raiffeisen investiční společnost a.s.</li><li>• Raiffeisen stavební spořitelna a.s. (chairman)</li></ul>
Miloš Matula	---
Martin Stotter	<b>Member of the Supervisory Board of:</b> <ul style="list-style-type: none"><li>• Raiffeisen investiční společnost a.s.</li><li>• Raiffeisen – Leasing, s.r.o.</li><li>• Raiffeisen stavební spořitelna a.s.</li></ul>
Vladimír Matouš	---
Tomáš Jelínek	<b>Member of the Supervisory Board of:</b> <ul style="list-style-type: none"><li>• Raiffeisen investiční společnost a.s. (chairman)</li></ul>
<b>Supervisory Board members</b>	
Lukasz Januszewski	<b>Member of the Supervisory Board of:</b> <ul style="list-style-type: none"><li>• Tatra banka, a.s., Slovakia</li><li>• Raiffeisen Centrobank AG, Austria</li><li>• Raiffeisen Kapitalanlage-Gesellschaft m.b.H., Austria (vice-chairman)</li><li>• Raiffeisen Bank S.A., Romania</li><li>• AO Raiffeisenbank, Russia</li></ul> <b>Member of the Management Board of:</b> <ul style="list-style-type: none"><li>• Raiffeisen Bank International AG, Austria</li></ul>
Johann Strobl	<b>Member of the Management Board of:</b> <ul style="list-style-type: none"><li>• Raiffeisen Bank International AG, Austria (vice-chairman)</li><li>• Raiffeisen Kooperations eGen, Austria</li></ul>

- Andreas Gschwenter
- Member of the Supervisory Board of:***
- AO Raiffeisenbank, Russia (vice-chairman)
  - Tatra banka, a.s., Slovakia
  - Raiffeisen Bank S.A., Romania
  - Österreichische Kontrollbank Aktiengesellschaft, Austria (first vice-chairman)
- Member of the Management Board of:***
- Raiffeisen Bank International AG, Austria
- Member of the Supervisory Board of:***
- AO Raiffeisenbank, Russia
  - Raiffeisen Bank Zrt., Hungary (chairman)
  - Tatra banka a.s., Slovakia
  - RSC Raiffeisen Service Center GmbH, Austria (vice-chairman)
  - Raiffeisenbank S.A., Romania
  - Raiffeisen Bank Austria d.d., Croatia (chairman)
  - Raiffeisen Informatik Geschäftsführungs GmbH, Austria (vice-chairman)
- Peter Lennkh
- Member of the Management Board of:***
- Raiffeisen Bank International AG, Austria
- Member of the Supervisory Board (or a similar body) of:***
- Raiffeisen Bank a.d., Serbia (vice-chairman)
  - Tatra banka, a.s., Slovakia
  - Raiffeisen Bank S.A., Romania
  - AO Raiffeisenbank, Russia
  - Raiffeisen Bank Sh. A., Albania
  - Österreichische Kontrollbank Aktiengesellschaft, Austria
  - Raiffeisenbank (Bulgaria) EAD, Bulgaria (chairman)
  - Raiffeisen Bank Kosovo J.S.C., Kosovo (chairman)
- Reinhard Schwendtbauer
- Member of the Management Board of:***
- Raiffeisenlandesbank Oberösterreich Aktiengesellschaft, Austria
  - OÖ Wohnbau Privatstiftung, Austria
  - RBG OÖ Verbund eGen., Austria (managing director)
  - RLB Holding reg.Gen.m.b.H. OÖ, Austria (managing director)
- Member of the Supervisory Board of:***
- Raiffeisen KMU Beteiligungs AG, Austria (chairman)
  - VIVATIS Holding AG, Austria (chairman)
  - EBS Wohnungsgesellschaft mbH, Austria
  - Gemeinnützige Industrie-Wohnungsaktiengesellschaft, Austria
  - Invest Unternehmensbeteiligungs Aktiengesellschaft, Austria

- OÖ Wohnbau gemeinnützige Wohnbau und Beteiligung GmbH, Austria
- OÖ Wohnbau Gesellschaft für den Wohnungsbau gemeinnützige GmbH, Austria
- Österreichische Salinen Aktiengesellschaft, Austria
- Salinen Austria Aktiengesellschaft, Austria
- Salzburger Landes-Hypothekenbank Aktiengesellschaft, Austria
- WAG Wohnungsanlagen Gesellschaft m.b.H., Austria
- Activ factoring AG, Austria
- POLYTEC Holding AG, Austria
- VIVATIS Capital Services eGen, Austria
- Oberösterreichische Landesbank Aktiengesellschaft, Austria

Hannes Mösenbacher

***Member of the Management Board of:***

- Raiffeisen Bank International AG, Austria
- Sektorrisiko eGen, Austria (chairman), Austria

***Member of the Supervisory Board of:***

- Tatra banka, a.s., Slovakia
- Raiffeisen Centrobank AG, Austria
- AO Raiffeisenbank, Russia
- Raiffeisenbank S.A., Romania

Andrii Stepanenko

***Member of the Management Board of:***

- Raiffeisen Bank International AG, Austria

***Member of the Supervisory Board of:***

- Tatra banka, a.s., Slovakia (chairman)
- Raiffeisen Centrobank AG, Austria
- Raiffeisen Kapitalanlage - Gesellschaft m.b.H., Austria
- Kathrein Privatbank Aktiengesellschaft, Austria (chairman)
- AO Raiffeisenbank, Russia
- Raiffeisen Bank Aval JSC, Ukraine (vice-chairman)
- Raiffeisen Bank S.A., Romania

Helena Horská

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Pavel Hruška

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Michal Přádka

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Kamila Šťastná

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Tat'ána Le Moigne

***Member of the Supervisory Board of:***

- DOBRÝ ANDĚL, nadace

***Member of the Administrative Board of:***

- Aspen Institute Central Europe o.p.s.
- Odyssey, z.s.



***Executive Committee members***

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Peter Lennkh	See above
Reinhard Schwendtbauer	See above
Hannes Mösenbacher	See above

***Audit Committee members***

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Pavel Závitkovský

***Member of the Audit Committee of:***

- Česká spořitelna, a.s.
- MERO ČR, a.s. (chairman)
- Exportní garanční a pojišťovací společnost, a. s. (chairman)
- NET4GAS, s.r.o.
- Českomoravská záruční a rozvojová banka, a.s.
- J&T Banka, a. s. (chairman, also member of the Remuneration Committee)
- OTE a.s. (chairman)

***Member of the Supervisory Board of:***

- Nadace Charty 77
- Českomoravská záruční a rozvojová banka, a. s. (chairman)

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Andrea Vlasek

Stanislav Staněk

***Member of:***

- the Audit Committee of NET4GAS, s.r.o.
- the Audit Committee of Česká exportní banka, a.s.

## RELATED PARTY TRANSACTIONS

In the ordinary course of its business, the Issuer provides banking services to: (i) its directors and senior management; (ii) entities under common control with the Issuer; (iii) its associates; (iv) its joint ventures and (v) its parent companies. These transactions include, but are not limited to, the provision of loans, overdrafts, interest bearing deposits and current accounts, as well as other services. All related party transactions described above are made in the ordinary course of business and are subject to substantially the same terms as comparable transactions with third parties (including in relation to interest rates and security). Furthermore, related party transactions concluded since 31 December 2017, have been of equivalent type as the material related party transactions described herein and have been entered into in the ordinary course of business.

### Transactions between Related Parties

The Issuer's receivables towards related parties are primarily composed of:

- (a) Credit balances on the current account maintained at RBI of CZK 986,213,000;
- (a) Provided loan to Raiffeisen-Leasing of CZK 20,433,034,000; and
- (b) Nominal values of financial derivatives – off-balance sheet receivables:
  - (i) RBI of CZK 380,166,801,000;
  - (ii) Raiffeisen-Leasing of CZK 511,170,000;
  - (iii) Raiffeisenbank AO (Russia) of CZK 134,395,000;
  - (iv) Tatra Banka, a.s. of CZK 1,273,875,000; and
  - (v) Raiffeisen Bank Zrt. of CZK 134,540,000.

The Issuer's liabilities towards related parties are primarily composed of:

- (a) Credit balances on the current account of the Issuer from:
  - (i) RBI of CZK 259,989,000;
  - (ii) Raiffeisen-Leasing of CZK 316,164,000; and
  - (iii) RIS of CZK 21,131,000;
- (b) Term deposits:
  - (i) UNIQA Österreich Versicherungen AG of CZK 2,087,125,000;
  - (ii) UNIQA of CZK 763,913,000;
  - (iii) Raiffeisenbank (Bulgaria) EAD of CZK 2,231,459,000; and
  - (iv) Raiffeisen Bank Zrt. of CZK 2,546,880,000;
- (c) Repo transactions:
  - (i) Tatra Banka, a.s. of CZK 4,400,189,000;
- (d) Debt securities of the Issuer issued:
  - (i) Raiffeisenbank Hungary of CZK 2,525,189,000;
  - (ii) Raiffeisenbank (Bulgaria) EAD of CZK 364,423,000;
  - (iii) RBI of CZK 3,383,087,000; and
  - (iv) Raiffeisen Bank Albania of CZK 909,783,000;
- (e) Nominal values of financial derivatives - off-balance sheet liabilities:
  - (i) RBI of CZK 380,103,860,000; and
  - (ii) Raiffeisen-Leasing of CZK 514,100,000;

- (f) Subordinated debt from:
- (i) RBI of CZK 2,481,549,000; and
- (ii) Raiffeisenlandesbank Oberösterreich AG of CZK 827,183,000; and
- (g) Other equity instruments - subordinated unsecured AT1 capital investment certificates purchased:
- (i) RBI of CZK 3,382,604,000.

The following table sets forth the outstanding balances of the Issuer's related party transactions as of and for the year ended 31 December 2019 and 31 December 2018:

<b>As of and for the year ended 31 December 2019</b>						
	<b>Parent companies</b>	<b>Entities with substantial influence over the Issuer</b>	<b>Subsidi- aries</b>	<b>Board of Directors, Super- visory Board and other managers</b>	<b>Other related parties</b>	<b>Total</b>
	<i>(in CZK thousands)</i>					
Receivables.....	986,213	-	20,433,034	162,207	45,320	<b>21,626,774</b>
Positive fair value of financial derivatives.....	3,129,333	-	870	-	3,375	<b>3,133,578</b>
Liabilities.....	3,899,997	21,052	637,484	67,916	22,668,145	<b>27,294,594</b>
Negative fair value of financial derivatives.....	3,571,152	-	2,561	-	1,306	<b>3,575,019</b>
Other equity instruments.....	3,382,604	-	-	-	-	<b>3,382,604</b>
Subordinated liabilities and bonds .....	2,481,549	-	-	-	827,183	<b>3,308,732</b>
Guarantees issued .....	86,363	-	-	-	91,626	<b>177,989</b>
Guarantees received.....	211,225	-	-	-	1,461,687	<b>1,672,912</b>
Nominal values of financial derivatives - off-balance sheet receivables .....	380,166,801	-	511,170	-	1,548,266	<b>382,226,237</b>
Nominal values of financial derivatives - off-balance sheet liabilities .....	380,103,860	-	514,100	-	1,546,154	<b>382,164,114</b>
Irrevocable credit commitments provided.....	-	-	-	11,700	-	<b>11,700</b>
Interest income .....	4,082,911	1,998	82,584	2,556	7,898	<b>4,177,947</b>
Interest expense .....	(4,243,095)	(269)	(9,746)	(197)	(246,283)	<b>(4,499,590)</b>
Fee and commission income....	20,985	84	12,748	-	28,837	<b>62,654</b>
Fee and commission expense...	(8,116)	-	(4,776)	-	(88,329)	<b>(101,221)</b>
Net gain or loss from financial operations .....	(89,378)	-	200	(89)	53,381	<b>(35,886)</b>
Net gain or loss from hedge accounting.....	507,635	-	-	-	-	<b>507,635</b>
General operating expenses .....	(207,360)	-	(31,573)	(94,659)	(17,976)	<b>(351,568)</b>
Other operating income, net.....	13,426	-	22,211	-	1,873	<b>37,510</b>

Source: Issuer's 2019 Annual Report

<b>As of and for the year ended 31 December 2018</b>						
	<b>Parent companies</b>	<b>Entities with substantial influence over the Issuer</b>	<b>Subsidi- aries</b>	<b>Board of Directors, Super- visory Board and other managers</b>	<b>Other related parties</b>	<b>Total</b>
	<i>(in CZK thousands)</i>					
Receivables.....	1,871,863	-	16,786,858	144,879	15,883	<b>18,819,210</b>
Positive fair value of financial derivatives.....	2,874,146	-	6,213	-	23	<b>2,880,382</b>
Liabilities.....	16,073,379	11,259	602,871	73,957	21,594,033	<b>38,355,499</b>

**As of and for the year ended 31 December 2018**

	<b>Parent companies</b>	<b>Entities with substantial influence over the Issuer</b>	<b>Subsidi- aries</b>	<b>Board of Directors, Super- visory Board and other managers</b>	<b>Other related parties</b>	<b>Total</b>
Negative fair value of financial derivatives.....	3,893,333	-	77,581	-	617	<b>3,971,531</b>
Other equity instruments.....	2,615,354	-	-	-	-	<b>2,615,354</b>
Subordinated liabilities and bonds .....	1,932,944	-	-	-	644,315	<b>2,577,259</b>
Guarantees issued .....	21,811	-	1,419,800	-	143,496	<b>1,585,107</b>
Guarantees received.....	-	-	-	-	689,924	<b>689,924</b>
Nominal values of financial derivatives - off-balance sheet receivables .....	392,468,596	-	6,777,144	-	253,169	<b>399,498,909</b>
Nominal values of financial derivatives - off-balance sheet liabilities .....	392,803,595	-	6,779,243	-	253,745	<b>399,836,583</b>
Irrevocable credit commitments provided.....	-	-	365,383	29,666	-	<b>395,049</b>
Interest income .....	2,286,008	1,812	111,772	2,352	5,188	<b>2,407,132</b>
Interest expense .....	(2,411,312)	(221)	(7)	(247)	(277,436)	<b>(2,689,223)</b>
Fee and commission income....	21,486	97	11,110	-	30,843	<b>63,536</b>
Fee and commission expense...	(32,838)	-	(664)	-	(75,029)	<b>(108,531)</b>
Net gain or loss from financial operations .....	1,035,760	-	7,031	19	(53,360)	<b>989,450</b>
Net gain or loss from hedge accounting.....	(45,101)	-	-	-	-	<b>(45,101)</b>
General administrative expenses.....	(197,201)	-	(17,921)	(89,077)	(16,623)	<b>(320,822)</b>
Other operating income, net.....	11,298	-	14,205	-	1,405	<b>26,908</b>

*Source: Issuer's 2019 Annual Report*

For further information on related party transactions of the Raiffeisen Group, see Note 46 to the consolidated financial statements for the year ended 31 December 2019 and Note 46 to the consolidated financial statements for the year ended 31 December 2018.

## CZECH BANKING REGULATION

*This section contains selected information on certain aspects of Czech banking regulation and supervision. The information in this section is intended to provide a brief overview of Czech banking regulation and supervision to which the Issuer, the Raiffeisen Group or certain of its members are subject, and is not intended to provide a comprehensive or complete description of Czech banking regulation and supervision.*

### **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 the Czech Act No. 6/1993 Coll., on the Czech National Bank, as amended (the "**CNB Act**"), the Czech Banking Act, the Czech Capital Markets Act, the Czech Capital Markets Supervision Act, the Czech Act No. 253/2008 Coll., the Act on Some Measures against Money-Laundering and Financing of Terrorism, as amended, the 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, the 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**"), the Czech Recovery and Resolution Act, the 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 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 bank 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 "*Czech Banking Regulation – Remedial Measures and Penalties*").

### **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 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 have been 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) additional tier 1 instruments (the "**AT 1**") (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, whilst 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 1 July 2020. The systemic risk buffer applicable to the Issuer is 1.0 per cent. as from 1 January 2019. 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 for 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) a liquidity coverage ratio (the "**LCR**") and (ii) a net stable funding ratio (the "**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<sup>43</sup> an introduction of certain extraordinary measures to ensure 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 internal ratings based approach.

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 ratio, 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 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 net stable funding ratio requirement, revisions to the Pillar 2 framework and revisions to the framework concerning interest rate risk in the banking book.

## Financial Conglomerates

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<sup>43</sup> Source: <https://www.bankingsupervision.europa.eu/press/pr/date/2020/html/ssm.pr200312~43351ac3ac.en.html>

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" which under certain circumstances 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, neither the Issuer nor any member of the Raiffeisen Group is 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 "*Risk Management – Types of Risks Managed – Liquidity Risk*".

### ***Classification of Receivables and Impairment***

Under the Czech Banking Act 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 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 adjustments 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 EUR 150 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 (the "**Deposit Insurance Fund**") operated by the Financial Market Guarantee System established pursuant to the Czech Recovery and Resolution Act. 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 Czech Koruna 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 EUR 100,000 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 EUR 100,000 by a maximum of an additional EUR 100,000. 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 2019, the Issuer paid a yearly contribution to the Deposit Insurance Fund in the amount equal to CZK 53,565,079 and CZK 61,957,503 in 2020.

### ***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 "*Czech Banking Regulation — Capital Adequacy Requirements*").

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 "*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.

## MORTGAGE LOANS AND THEIR REGULATORY FRAMEWORK

*This section contains selected information on certain aspects of the regulation of mortgage loans in the Czech Republic. The information in this section is intended to provide a brief overview of the regulation of mortgage loans in the Czech Republic which affects the Issuer, the Raiffeisen Group or certain of its members and it is not intended to provide a comprehensive or complete description of regulation of mortgage loans 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 Czech 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 administration of a respective building and tract of land (up to 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 the 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 a 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 void. 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 and the value of the proportionate yield); (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 Czech 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 (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 Czech Civil Code are without prejudice to, and should be read in conjunction with the section headed "*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 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 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.

***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. In January 2006, the Issuer became the first domestic bank to approve the accession to the Code and the relevant criteria for granting mortgage loans implemented by the Issuer surpass the minimum standards set by the Code.

#### ***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 the 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 (a) a prepayment made within three months after the mortgage bank informed the customer of a new interest rate applicable to the loan; or (b) 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 (c) 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 CZK 50,000, provided that the loan agreement was entered into at least 24 months prior to the prepayment date.

### ***The CNB Recommendation***

On 8 July 2020, the CNB published an updated non-binding recommendation regarding the retail mortgage risk management (the "**Recommendation 07/2020**"), which replaced the previous recommendation published on 1 April 2020.

The Recommendation 07/2020 contains a recommended 90 per cent. LTV limit for retail loans secured by real property. The Recommendation 07/2020 further 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 07/2020 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 07/2020 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 07/2020 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 (the "**DTI**") ratio and the debt service-to-income (the "**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 8 and DSTI ratio exceeds 40 per cent.

The Recommendation 07/2020 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 07/2020, 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 (*stavební spořeni*) 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 CZK 200,000.

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 Base Prospectus, the Issuer complies with the Recommendation 07/2020.

## ***Recent Czech Regulatory Developments Relating to the Recent COVID-19 Outbreak***

On 17 April 2020, the Czech Act No. 177/2020 Coll., on Capital Repayment Measures in Connection with COVID-19 (the "**COVID-19 Loan Moratorium Act**") was published in the Czech collection of laws and became effective, leading to temporary changes in credit facilities and similar products irrespective of the law governing these contractual relationships.

Under the COVID-19 Loan Moratorium Act, a borrower (either a consumer or an entrepreneur) of (i) a loan in relation which a loan agreement has been signed and which has been utilised before 26 March 2020 or (ii) a loan in relation to which a loan agreement has been signed before 26 March 2020, but the loan has not been utilised, if the loan is, inter alia, secured by mortgage of real estate or used for real estate development, may apply for a general moratorium (in Czech, *ochranná doba*) (the "**Moratorium**"). If the borrower notifies the lender of its intention to take advantage of the Moratorium, the Moratorium shall run 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 notifies its intention to use such shortened Moratorium period.

In particular, this means that: (a) the moment of fulfilment of monetary debts owed by the lender to the borrower under the loan agreement is postponed by the duration of the Moratorium; and (b) the duration of the security securing the loan is extended by the duration of the Moratorium.

During the Moratorium, both principal and interest payments are deferred for loans provided to natural persons, whereas only principal payments are deferred for loans provided to legal persons. During the Moratorium, the interest rates on the consumer loans are capped at a rate corresponding to the repo rate published by the CNB increased by eight percentage points.

Other legislative measures such as the proposed temporary changes to Czech insolvency law, which are part of 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, as amended (the "**COVID-19 Insolvency Act**"), cause the debtor's obligation to file for insolvency (provided that the statutory conditions are met) to be suspended for the duration of the relevant measures taken by the Czech government, as well as for six months following their expiry, but no longer than until 30 June 2021. In addition, debtors are temporarily protected from insolvency petitions filed by their creditors as any such petitions filed until the end of August 2020 shall be disregarded and no entries of commencement of insolvency proceedings shall be made in the on-line Insolvency Register. Creditors would need file a new insolvency petition after the end of August 2020 to effectively commence insolvency proceedings. 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.]<sup>44</sup>

## ***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., UniCredit Bank Czech Republic and Slovakia, a.s. Hypoteční banka, a.s. and MONETA Money Bank, a.s.

### *Housing market*

According to the 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 Korunas.

The following table illustrates the current structure of the housing stock in terms of housing types according to the latest March 2011 census:

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<sup>44</sup> Drafting Note: To be updated before the date of this Base Prospectus to reflect the latest developments.



Rental housing:	31 per cent.
Co-operative sector:	20 per cent.
Owner-occupied housing:	49 per cent.

#### *Real Property under the Czech Civil Code*

The Czech 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 a mere 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 Czech Civil Code became effective. The Czech 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 Czech 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 a 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<sup>45</sup>:

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<sup>45</sup> Source: <https://www.sfpi.cz/>

- 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 36 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 growth development in the Czech Republic, overall expansion of mortgage market and increasing needs of funding of housing, the Issuer expects that there should be strong preconditions for its business activities in the field of mortgage banking. The Issuer's strategy is to provide mortgage loans within a complete portfolio of products.

### ***Types of Loans and other Products Provided***

The mortgage loans are provided by the Issuer for the purpose of (i) construction or purchase of the property; (ii) purchase of the interests in the property; (iii) reconstruction, modernisation and repairs of the property; and (iv) the settlement of the loan or credit used for the investment in the property.

Properties, for which the Issuer provides mortgage loans, include family houses, apartment buildings, dwelling units and building plots. Investments in commercial properties are provided to natural persons only in exceptional cases.

Within the range of mortgages which the Issuer offers to its clients, the basic mortgage is the "*Klasik*" mortgage loan. In the case of the "*Klasik*" mortgage loan the disbursement of the loan amount and the annuity payments are optimised. The loan is provided for up to 90 per cent. of the Mortgaged Property Value of the relevant Mortgaged Property securing the loan but only 70 per cent. of this Mortgaged Property Value is included in the Issuer's Cover Pool. As in case of other mortgage products, clients can choose a fixed interest rate for 1 to 7, 10 or 15 years or float rate dependent on PRIBOR 1M with a loan maturity of 5-30 years. Under the "*Klasik Offset Mortgage*", the Issuer further offers its clients an option to offset their savings against the unpaid principal of the mortgage loan.

The "*Profit*" mortgage loan was developed for those clients who are interested in investing in properties as a source of income (buy to let) and thereby securing a stable cash flow in the future, which is not so dependent on the employment record of the owner. The "*Profit*" mortgage loan is provided for up to 60 per cent. of the loan-to-value ratio ("**LTV**") meaning that this loan cannot exceed 60 per cent. of the Mortgaged Property Value of the relevant Mortgaged Property securing the loan.

The "*Univerzál American Mortgage*" is a mortgage loan with no specified purpose. The loan maturity is up to 20 years; the loan is provided for up to 70 per cent. LTV.

A unique feature in the product portfolio of the Issuer is the "*Variable Mortgage*". Under this loan, the client obtains an overdraft credit limit for an agreed period. The clients are then free to regulate and adjust any payments and drawdowns under the loan according to their actual needs. If the overdraft is drawn at the end of agreed

period, client continues to repay the loan in regular monthly annuity instalments until the loan is fully repaid. This loan type is unique on the Czech market.

### ***Lending Business Rules***

The Issuer has a set of rules that governs the policy of credit exposure and the activities of individual departments in the Issuer's management. At the same time procedures, which determine the implementation of the individual operations throughout the entire lending process, have been approved. In the organisational structure of the Issuer, the actual trading activities are strictly separated from the activities for the credit approval and lending processes as well as from the activities for risk monitoring processes of the Issuer in order to reduce the credit risk.

### ***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.

If the loan applicant is a natural person, the Issuer evaluates the level and structure of his revenue, and/or the income of any other co-applicants (family members) and their spending, including future spending to repay loans. The Issuer also evaluates the client, who is a natural person, in terms of personal risk factors. This can have the effect of a potential restriction of the terms of the credit engagement.

The client due diligence process, in the case of a business entity, includes an in-depth examination of the ownership structure, also including any significant relationships of the relevant client with a focus on the groups that are economically related to the company, evaluation of the client's status in the relevant sector (the principle competitors, latest developments, etc.). Particular attention is paid to off-balance sheet records (not only off-balance sheet liabilities, but also any liabilities that might result in the client's obligation to pay, deliver, or purchase, that could seriously impair the client's financial position) and cash flow.

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 company into serious financial distress.

### ***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 land and 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 land belonging to a third party might be accepted by the Issuer, but only 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.

### ***Appraisal of Properties***

The Issuer ascertains the Mortgaged Property Value in accordance with the applicable law. The Mortgaged Property Value for the purposes of issuing Czech Covered Bonds and for the purposes of bank lending in the open market is the current market price after supervision of the internal collateral appraiser.

The Issuer 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 understands the current market price as the price that would be obtained when selling the same or similar properties, specifically in accordance with their status and location, as of the valuation date. The appraisal of the current market price is usually submitted to the Issuer by external appraisers who are obliged to 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 local inspection in situ.

The Issuer's methodology, based on the fundamental principles of a market valuation of real estate property that is in line with recognised international standards, is generally used for valuations. An estimation of the current market price is generally based on the market values of other properties, i.e. material, yield and correlation, and in particular on local knowledge, market conditions, status and utilisation of the evaluated property. This methodology determines the current market price and the "future value" (after the completion of unfinished work) or the "minimal value" (after demolition or dismantling prior to the reconstruction). Prudence is applied in analysing the available information during the valuation process.

### ***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 the loan are the creation or application for registration of a mortgage over the real property, insurance on the real property and the full restriction of transferability of the real property. A loan for construction, reconstruction, modernisation or repair is utilised gradually, depending on the progress of the work and increase in the value of the collateral. 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 for one, seven, ten or fifteen years. Before the expiration of this stipulated period the Issuer will notify the client about the new interest rate (based on price developments in the financial markets). 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. 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 "*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.

## TAXATION

*The following is a general discussion of certain Czech, German and Luxembourg tax consequences of the acquisition, ownership and disposition of Mortgage Covered Bonds. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Mortgage Covered Bonds. As each Tranche of Mortgage Covered Bonds may be subject to a different tax treatment due to the specific terms of such Tranche of Mortgage Covered Bonds as set out in the respective Final Terms, the following section only provides some very general information on the possible tax treatment. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This overview is based on the laws of Germany, the Czech Republic and the Grand Duchy of Luxembourg currently in force and as applied on the date of this document, which are subject to change, possibly with retroactive or retrospective effect. The information contained within this section are limited to taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Mortgage Covered Bonds.*

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 THE CZECH REPUBLIC, GERMANY AND THE GRAND DUCHY OF LUXEMBOURG AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS OR WHICH THEY MAY OTHERWISE BE LIABLE FOR TAXES. THE RESPECTIVE RELEVANT TAX LEGISLATION MAY HAVE AN IMPACT ON THE INCOME RECEIVED FROM THE MORTGAGE COVERED BONDS.

### 1. Taxation in the Czech Republic

#### *Withholding tax on Interest*

All interest payments to be made by the Issuer under the Mortgage Covered Bonds may be made free of withholding or deduction of, for or on the account of any taxes of whatsoever nature imposed, levied, withheld or assessed by the Czech Republic or any political subdivision or taxing authority thereof or therein.

Notwithstanding the above, the Czech tax law is not straightforward with respect to tax treatment in situations when the Mortgage Covered Bonds are bought back by the Issuer. There is a risk that the purchase price payable by the Issuer for the Mortgage Covered Bonds, where the seller of the Mortgage Covered Bonds is an individual, would be subject to Czech withholding tax. In this case, the tax base calculated as the difference between the purchase price and the Issue Price would be subject to 15 per cent. withholding tax.

In June 2020, the Czech government proposed to the Parliament an amendment of Czech tax laws, with proposed entry into force on 1 January 2021. This proposal, if adopted into the law and depending on its final wording, would, most importantly (a) change the taxation of individuals (e.g. applicable tax rates), (b) possibly introduce an annual limit on capital gains exemption for individuals in case of sale of securities, (c) abolish the tax exemption from application of withholding tax in respect of interest payments to Non-Czech Holders (as defined below) on mortgage covered bonds issued by Czech-resident issuers outside of the Czech Republic (thus effectively imposing withholding tax thereon), (d) abolish the exemption from application of withholding tax in respect of interest payments to individual Czech Holders (as defined below) of such mortgage covered bonds (thus effectively imposing withholding tax thereon), but also (e) provide grandfathering to mortgage covered bonds issued before the end of 2021 so payments from them would mostly be subject to the currently applicable tax regime. The proposal, however, pending further legislative process, may or may not be finally adopted, and the timing of its adoption remains uncertain. The entire remainder of this description is based on the laws as currently in effect, without taking any part of the proposal into account.

#### *Non-Czech Holders: Holding and Sale*

Interest income on the Mortgage Covered Bonds held by an individual who is not treated as a resident of the Czech Republic for tax purposes or by a taxpayer other than an individual who is not treated as a resident of the Czech Republic for tax purposes (either of them further referred as, the "Non-Czech Holder") will be exempt from taxation in the Czech Republic.

Income realised by Non-Czech Holders, not holding the Mortgage Covered Bonds through a permanent establishment in the Czech Republic, from the sale of the Mortgage Covered Bonds to other Non-Czech Holders, not purchasing the Mortgage Covered Bonds through a permanent establishment in the Czech Republic, will not be subject to taxation in the Czech Republic.

Income realised by Non-Czech Holders, whether holding the Mortgage Covered Bonds through a permanent establishment in the Czech Republic or not, from the sale of the Mortgage Covered Bonds to an individual who is for tax purposes treated as a resident of the Czech Republic or to a taxpayer other than an individual who is for tax purposes treated as a resident of the Czech Republic (either of them further referred as, the "**Czech Holder**") or to a Non-Czech Holder acquiring the Mortgage Covered Bonds through a permanent establishment in the Czech Republic, will be subject to taxation in the Czech Republic, unless:

- the Non-Czech Holder realising that income (a) is resident for tax purposes in a country within the meaning of a double taxation treaty between that country and the Czech Republic, pursuant to the terms of which the right to tax that income from the sale of the Mortgage Covered Bonds is conferred exclusively to the former country, (b) is the beneficial owner of that income, (c) is entitled to enjoy the benefits of that double taxation treaty and (d) does not have a permanent establishment in the Czech Republic to which that income would be attributable; or
- the Non-Czech Holder who is an individual (i) having held the Mortgage Covered Bonds for more than three years prior to their sale where the Mortgage Covered Bonds have not been held in connection with the business activities of the Non-Czech Holder or if so, (ii) the Mortgage Covered Bonds will be sold after three years following the termination of such business activities, at the earliest. Furthermore, income from the sale of the Mortgage Covered Bonds realized by an individual is exempt, if the annual (worldwide) gross income (i.e. not the capital gains) of that individual from the sale of securities (including the Mortgage Covered Bonds) does not exceed the amount of CZK 100,000.

Income realised by Non-Czech Holders holding the Mortgage Covered Bonds through a permanent establishment in the Czech Republic from the sale of the Mortgage Covered Bonds will be subject to taxation in the Czech Republic regardless of the status of the buyer.

If income realised by a Non-Czech Holder, whether holding the Mortgage Covered Bonds through a permanent establishment in the Czech Republic or not, from the sale of the Mortgage Covered Bonds is subject to taxation in the Czech Republic (as discussed in the above paragraphs), a Czech Holder or a permanent establishment in the Czech Republic of a Non-Czech Holder paying that income will be obliged to withhold an amount of 1 per cent. on a gross basis representing tax security, unless the Non-Czech Holder selling the Mortgage Covered Bonds is for tax purposes a resident of a member state of the European Union or the EEA or unless the obligation to withhold is waived based on a tax authority decision. The tax security shall be credited against the final tax liability as declared in the Czech tax return of the Non-Czech Holder selling the Mortgage Covered Bonds. If no Czech tax return is filed, the tax authority can deem the tax security withheld to be tax assessed on and paid by the Non-Czech Holder selling the Mortgage Covered Bonds.

Income realised by a non-Czech Holder, who is an individual, might be subject to specific withholding tax regardless of the length of the holding period. For further details see *Taxation - Withholding tax on Interest* above.

A Non-Czech Holder will not become or be deemed to become resident for tax purposes in the Czech Republic solely by reason of holding the Mortgage Covered Bonds or through the execution, performance, delivery and/or enforcement of the Mortgage Covered Bonds.

### ***Czech Holders: Holding and Sale***

Interest income on the Mortgage Covered Bonds held by Czech Holders is subject to Czech corporate or personal income tax, as applicable, at flat rates of 19 per cent. (there are special rates of 5 per cent. for selected investment funds and 0 per cent. for pension funds and selected entities of pension insurance) or 15 per cent., respectively, and is payable on a self-assessment basis (in the case of Czech Holders who are individuals, the tax reporting obligation, in addition to whether the interest income shall be declared on a cash or an accrual basis, will depend on the individual's circumstances in each case). Czech Holders that are subject to Czech accounting standards for entrepreneurs (i.e. most companies other than financial or insurance institutions and certain individuals engaged in active business) or to Czech accounting standards for financial institutions (including, in particular, banks) will be required to recognise the interest income on an accrual basis for accounting purposes and, accordingly, include it in their general tax base for Czech income tax purposes in the given period.

Czech Holders who are subject to Czech accounting standards for entrepreneurs or to Czech accounting standards for financial institutions and who hold the Mortgage Covered Bonds for the purposes of trading may be, under certain conditions, required to revalue the Mortgage Covered Bonds to fair value for accounting purposes, whereby the unrealised gains or losses would be accounted for as revenues or costs, respectively. Such revenues are generally taxable and the corresponding costs are generally tax-deductible for Czech tax purposes.

Any gains upon the sale of the Mortgage Covered Bonds will generally be taxable, unless exempt from tax, and in the case of Czech Holders who keep accounting books (in principle, all legal entities and certain individuals), any losses will generally be tax-deductible. By contrast, a loss realised by Czech Holders who are individuals other than those mentioned in the preceding sentence is generally non-deductible, except where such loss is compensated by taxable gains on sales of other securities and the income from the sale of the Mortgage Covered Bonds is not exempt from tax.

In the case of Czech Holders who are individuals, any gain derived from the sale of the Mortgage Covered Bonds is exempt from Czech personal income tax if (i) the individual has held the Mortgage Covered Bonds for more than three years prior to their sale and the Mortgage Covered Bonds have not been held in connection with the business activities of the Czech Holder or if so, (ii) the Mortgage Covered Bonds will be sold after three years following the termination of such business activities at the earliest.

Furthermore, income from the sale of the Mortgage Covered Bonds realized by an individual is tax-exempt, if the annual (worldwide) gross income (i.e. not the capital gains) of that individual from the sale of securities (including the Mortgage Covered Bonds) does not exceed the amount of CZK 100,000.

If income realised by a Czech Holder from the sale of the Mortgage Covered Bonds is not tax-exempt (as discussed in the above paragraphs), tax rates on the capital gain, calculated generally as a difference between the sale price and acquisition price, apply as follows:

- individual Czech Holders not having held the Mortgage Covered Bonds in connection with their business activities are subject to tax at 15 per cent.,
- individual Czech Holders having held and selling the Mortgage Covered Bonds in connection with their business activities are subject to tax at 15 per cent. plus potentially the solidarity surcharge, calculated at 7 per cent. of the excess of the Czech Holder's total employment and self-employment income over 48-times the average wage (CZK 1,672,080 for 2020) as well as subject to social security and health insurance contributions,
- Czech Holders other than individuals are subject to tax at 19 per cent. (there are special rates of 5 per cent. for selected investment funds and 0 per cent. for pension funds and selected entities of pension insurance).

Income realised by a Czech Holder, who is an individual, might be subject to specific withholding tax regardless of the length of the holding period. For further details see *Taxation in the Czech Republic - Withholding tax on Interest* above.

### ***Reporting Obligation***

A holder of a Mortgage Covered Bond (a Czech Holder or a Non-Czech Holder) who is an individual may be obliged to report to the Czech tax authority any income earned in connection with the Mortgage Covered Bonds if such income is exempt from taxation in the Czech Republic and exceeds, in each individual case, CZK 5 million (the "**Reporting Obligation**"). Non-compliance with the Reporting Obligation may be penalized by a sanction of up to 15 per cent. of the gross amount of the tax exempt income.

### ***Value Added Tax***

There is no Czech value added tax payable in respect of payments in consideration for the issue of the Mortgage Covered Bonds, or in respect of the payment of interest or principal under the Mortgage Covered Bonds, or in respect of the transfer of the Mortgage Covered Bonds.

## ***Other Taxes or Duties***

No registration tax, capital tax, customs duty, transfer tax, stamp duty or any other similar tax or duty is payable in the Czech Republic by a Non-Czech Holder or a Czech Holder in respect of or in connection with the mere purchase, holding or disposition of the Mortgage Covered Bonds, save for disposition in certain cases upon donation or inheritance.

## **Foreign Account Tax Compliance Act**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including the Czech Republic) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Mortgage Covered Bonds, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Mortgage Covered Bonds, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Mortgage Covered Bonds, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register, and Mortgage Covered Bonds characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional Mortgage Covered Bonds (as described under “*Terms and Conditions of the Mortgage Covered Bonds—Further Subordinated Issues*”) that are not distinguishable from previously issued Mortgage Covered Bonds are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Mortgage Covered Bonds, including the Mortgage Covered Bonds offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders of the Mortgage Covered Bonds should consult their own tax advisers regarding how these rules may apply to their investment in the Mortgage Covered Bonds. In the event that any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Mortgage Covered Bonds, no person will be required to pay any additional amounts as a result of the withholding.

## **2. Taxation in Germany**

*The following is a general discussion of certain German tax consequences of the acquisition, ownership and the sale, assignment or redemption of Mortgage Covered Bonds and the receipt of interest thereon. It does not purport to be a comprehensive description of all tax considerations, which may be relevant to a decision to purchase Mortgage Covered Bonds, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. This overview is based on the laws of Germany currently in force and as applied on the date of this Base Prospectus, which are subject to change, possibly with retroactive or retrospective effect.*

*With regard to certain types of Mortgage Covered Bonds, neither official statements of the tax authorities nor court decisions exist, and it is not clear how these Mortgage Covered Bonds will be treated. Furthermore, there is often no consistent view in legal literature about the tax treatment of instruments like certain types of Mortgage Covered Bonds, and it is neither intended nor possible to mention all different views in the following overview. Where reference is made to statements of the tax authorities, it should be noted that the tax authorities may change their view even with retroactive effect and that the tax courts are not bound by circulars of the tax authorities and, therefore, may take a different view. Even if court decisions exist with regard to certain types of Mortgage Covered Bonds, it is not certain that the same reasoning will apply to the Mortgage Covered Bonds due to certain peculiarities of such Mortgage Covered Bonds. Furthermore, the tax authorities may restrict the application of judgements of tax courts to the individual case with regard to which the judgement was rendered.*

*As under this Programme different types of Mortgage Covered Bonds may be issued, the tax treatment of such Mortgage Covered Bonds can be different due to their specific terms. The following overview only provides some very generic information on the possible tax treatment of the Mortgage Covered Bonds and has to be read in*



conjunction with the more specific information on the taxation as provided in the relevant Final Terms of each tranche of Mortgage Covered Bonds. Furthermore, the taxation of the different types of Mortgage Covered Bonds may differ from each other. The following overview only describes the tax treatment of Mortgage Covered Bonds in general and certain particularities with respect to individual types of Mortgage Covered Bonds.

It should also be noted that the following overview does not provide for information with respect to the tax treatment of a write-down or conversion of the Mortgage Covered Bonds ordered by a resolution authority, unless otherwise explicitly referred to. If in particular cases certain Mortgage Covered Bonds should qualify as equity or equity-like instruments from a German tax perspective different taxation rules than those as described in the following overview may apply to such Mortgage Covered Bonds.

Prospective purchasers of Mortgage Covered Bonds are advised to consult their own tax advisors as to the German tax consequences of the acquisition, ownership and the sale, assignment or redemption of Mortgage Covered Bonds and the receipt of interest thereon, including the effect of any state or local taxes, under the tax laws of Germany and each country of which they are residents or citizens or may otherwise be liable to tax. Only these advisers will be able to take into account appropriately the details relevant to the taxation of the respective holders of the Mortgage Covered Bonds.

## 1.1 Tax Residents

Persons (individuals and corporate entities) who are tax resident in Germany (in particular, persons having a residence, habitual abode, seat or place of management in Germany) are subject to income taxation (income tax or corporate income tax, as the case may be, plus solidarity surcharge thereon plus church tax and/or trade tax, if applicable) on their worldwide income, regardless of its source, including interest from debt of any kind (such as the Mortgage Covered Bonds) and, in general, capital gains.

### 1.1.1 Private Investors

#### (a) Interest and Capital Gains

Interest payable on the Mortgage Covered Bonds, if any, to persons holding the Mortgage Covered Bonds as private assets ("**Private Investors**") who are tax residents of Germany (i.e. persons whose residence or habitual abode is located in Germany) qualifies as investment income (*Einkünfte aus Kapitalvermögen*) according to sec. 20 para. 1 of the German Income Tax Act (*Einkommensteuergesetz*) and is generally taxed at a separate tax rate of 25 per cent. (*Abgeltungsteuer*, in the following also referred to as "**flat tax**"), plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax. Please note that according to the coalition agreement of the German government parties it is intended to abolish the 25% flat tax regime for interest income so that the respective income would be taxed with the personal progressive income tax rate of up to 45 per cent. (plus 5.5 per cent. solidarity surcharge thereon and church tax, if applicable). On 13 December 2019, the law regarding a significant reduction of the solidarity surcharge (*Gesetz zur Rückführung des Solidaritätszuschlags 1995*) came into force. Even though this new law has no impact on the solidarity surcharge levied in addition to the flat withholding tax, it can affect the solidarity surcharge levied on the income tax liability which the flat withholding tax is credited against, as the case may be. According to this new law the threshold as of which solidarity surcharge is levied will be significantly increased, so that the solidarity surcharge shall be abolished in full for approx. 90% of the German taxpayers and partly for a further 6.5% of German taxpayers. The new rules apply as of 2021. Investors are advised to monitor further future developments.

Capital gains from the sale, assignment or redemption of the Mortgage Covered Bonds, including the original issue discount and interest having accrued up to the disposition of Mortgage Covered Bonds and credited separately ("Accrued Interest", *Stückzinsen*), if any, qualify – irrespective of any holding period – as investment income pursuant to sec. 20 para. 2 of the German Income Tax Act and are also generally taxed at the flat tax rate of 25 per cent, plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax. If interest claims are disposed of separately (i.e. without the Mortgage Covered Bonds), the proceeds from the disposition are subject to taxation. The same applies to proceeds from the payment of interest claims if the Mortgage Covered Bonds have been disposed of separately. If the Mortgage Covered Bonds are assigned, redeemed, repaid or contributed into a corporation by way of a hidden contribution (*verdeckte Einlage in eine Kapitalgesellschaft*) rather than sold, as a rule, such transaction is treated like a sale.

Capital gains are determined by taking the difference between the sale, assignment or redemption price (after the deduction of expenses directly and factually related to the sale, assignment or redemption) and the issue or acquisition price of the Mortgage Covered Bonds. Where the Mortgage Covered Bonds are issued in a currency other than EUR the sale, assignment or redemption price and the acquisition costs have to be converted into EUR on the basis of the foreign exchange rates prevailing on the issue or acquisition date and the sale, assignment or redemption date respectively.

Expenses (other than such expenses directly and factually related to the sale, assignment or redemption) related to interest payments or capital gains under the Mortgage Covered Bonds are – except for a standard lump sum (*Sparer-Pauschbetrag*) of EUR 801 (EUR 1,602 for jointly assessed holders) – not deductible. "Negative interest" with respect to the Mortgage Covered Bonds, if any, will be treated by the German tax authorities as non-deductible expenses.

According to the flat tax regime losses from the sale, assignment or redemption of the Mortgage Covered Bonds can only be set-off against other investment income including capital gains. If the set-off is not possible in the assessment period in which the losses have been realised, such losses can only be carried forward into future assessment periods and can be set-off against investment income including capital gains generated in these future assessment periods.

Due to recent legislative changes, losses arising from the fact that a receivable is fully or partially irrecoverable or is written down due to an impairment and losses arising from a transfer of an impaired receivable to a third party or from any other default, in each case suffered after 31 December 2019, can be offset up to an amount of EUR 10,000 per year. Notwithstanding this recent change in law, flat withholding tax may have to be levied irrespective of this loss deduction and, therefore, any such losses can only be credited in the respective holder's income tax assessment.

If the Issuer exercises the right to substitute the debtor of the Mortgage Covered Bonds, the substitution might, for German tax purposes, be treated as an exchange of the Mortgage Covered Bonds for new mortgage covered bonds issued by the new debtor. Such a substitution could result in the recognition of a taxable gain or loss for the respective investors.

(b) *Withholding*

If the Mortgage Covered Bonds are held in custody with or administrated by a German credit institution, financial services institution (including a German permanent establishment of such foreign institution), securities trading company or securities trading bank (the "Disbursing Agent"), the flat tax at a rate of 25 per cent. (plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax) will be withheld by the Disbursing Agent on interest payments and the excess of the proceeds from the sale, assignment or redemption (after the deduction of expenses directly and factually related to the sale, assignment or redemption) over the issue or acquisition costs for the Mortgage Covered Bonds (if applicable converted into EUR terms on the basis of the foreign exchange rates as of the issue or acquisition date and the sale, assignment or redemption date respectively). Church tax is collected by way of withholding as a standard procedure unless the Private Investor filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*).

The Disbursing Agent will provide for the set-off of losses (except for capital losses derived from equities) and paid accrued interest (*Stückzinsen*) with current investment income including capital gains from other securities. If, in the absence of sufficient current investment income derived through the same Disbursing Agent, a set-off of losses is not possible, the holder of the Mortgage Covered Bonds may – instead of having a loss carried forward into the following year – file an application with the Disbursing Agent until 15 December of the current fiscal year for a certification of losses in order to set-off such losses with investment income derived through other institutions in the holder's personal income tax return.

If custody has changed since the acquisition and the acquisition data is not proved as required by sec. 43a para. 2 German Income Tax Act or not relevant, the flat tax rate of 25 per cent. (plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax) will be imposed on an amount equal to 30 per cent. of the proceeds from the sale, assignment or redemption of the Mortgage Covered Bonds.

In the course of the tax withholding provided for by the Disbursing Agent foreign taxes may be credited in accordance with an applicable double taxation treaty and the German Income Tax Act.

If the Mortgage Covered Bonds are not kept in a custodial account with a Disbursing Agent, the flat tax will – by way of withholding – apply on interest paid by a Disbursing Agent upon presentation of a coupon (whether or not presented with the Mortgage Covered Bond to which it appertains) to a holder of such coupon (other than a non-German bank or financial services institution) (*Tafelgeschäft*), if any. In this case proceeds from the sale, assignment or redemption of the Mortgage Covered Bonds will also be subject to the withholding of the flat tax.

In general, no flat tax will be levied if the holder of the Mortgage Covered Bonds has filed a withholding exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent (in the maximum amount of the standard lump sum of EUR 801 (EUR 1,602 for jointly assessed holders)) to the extent the income does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, no flat tax will be

deducted if the holder of the Mortgage Covered Bonds has submitted to the Disbursing Agent a valid certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the competent local tax office.

For Private Investors the flat tax withheld is, in general, definitive. Exceptions apply e.g., if and to the extent the actual investment income exceeds the amount which was determined as the basis for the withholding of the flat tax by the Disbursing Agent. In such case, the exceeding amount of investment income must be included in the Private Investor's income tax return and will be subject to the flat tax in the course of the assessment procedure. According to the decree of the German Federal Ministry of Finance dated 18 January 2016 (IV C 1 – S 2252/08/10004:017) (as amended), however, any exceeding amount of not more than EUR 500 per assessment period may not be claimed on grounds of equity, provided that no other reasons for an assessment according to sec. 32d para. 3 of the German Income Tax Act exist. According to sec. 32d para. 2 no. 1 of the German Income Tax Act the flat tax rate is also not available in situations where an abuse of the flat tax rate is assumed (e.g. "back-to-back" financing). Further, Private Investors may request that their total investment income, together with their other income, be subject to taxation at their personal, progressive income tax rate rather than the flat tax rate, if this results in a lower tax liability. In order to prove such capital investment income and the withheld flat tax thereon the investor may request a respective certificate in the officially required form from the Disbursing Agent.

Investment income not subject to the withholding flat tax (e.g. since there is no Disbursing Agent) must be included in the personal income tax return and will be subject to the flat tax rate of 25 per cent. (plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax), unless the investor requests the investment income to be subject to taxation at lower personal, progressive income tax rate. Foreign taxes may be credited in accordance with an applicable double taxation treaty and the German Income Tax Act.

Under current German tax law, there is generally no source withholding tax (*Quellensteuer*) to be withheld by the Issuer. The flat tax (*Abgeltungsteuer*) which is withheld by the Disbursing Agent is not deemed to be such source withholding tax. On this basis, the Issuer is, in general, not obliged to levy the flat tax in respect of payments on the Mortgage Covered Bonds.

#### 1.1.2 Business Investors

Interest payable on the Mortgage Covered Bonds to persons holding the Mortgage Covered Bonds as business assets ("**Business Investors**") who are tax residents of Germany (i.e. Business Investors whose residence, habitual abode, statutory seat or place of effective management and control is located in Germany) and capital gains, including the original issue discount and Accrued Interest, if any, from the sale, assignment or redemption of the Mortgage Covered Bonds are subject to corporate income tax or income tax, as the case may be, (each plus solidarity surcharge thereon, and, if applicable, church tax) in the hands of a Business Investor at the investor's personal tax rate and also have to be considered for trade tax purposes. Losses from the sale, assignment or redemption of the Mortgage Covered Bonds, are generally recognised for tax purposes (this may be different, if certain Mortgage Covered Bonds would have to be qualified as derivative transactions).

The withholding tax, if any, including a solidarity surcharge thereon, is credited as a prepayment against the Business Investors' corporate or personal income tax liability and the solidarity surcharge in the course of the tax assessment procedure, i.e. the withholding tax is not definitive. Any potential surplus will be refunded. However, in general and subject to further requirements, no withholding deduction will apply on capital gains from the sale, assignment or redemption of the Mortgage Covered Bonds and in the case of derivative transactions if (i) the Mortgage Covered Bonds are held by a corporation, association or estate in terms of sec. 43 para. 2 sentence 3 no. 1 of the German Income Tax Act or (ii) the proceeds from the Mortgage Covered Bonds qualify as income of a domestic business and the investor notifies this to the Disbursing Agent by use of the required official form according to sec. 43 para. 2 sentence 3 no. 2 of the German Income Tax Act (*Erklärung zur Freistellung vom Kapitalertragsteuerabzug*).

Foreign taxes may be credited in accordance with an applicable double taxation treaty and the German Income Tax Act. Alternatively, foreign taxes may also be deducted from the tax base for German income tax purposes.

#### 1.2 Non-residents

Interest payable on the Mortgage Covered Bonds and capital gains, including Accrued Interest, if any, are not subject to German taxation, unless (i) the Mortgage Covered Bonds form part of the business property of a permanent establishment, including a permanent representative, or a fixed base maintained in Germany by the holder of the Mortgage Covered Bonds; (ii) the interest income otherwise constitutes German-source income (such as income from the letting and leasing of certain German-situs property or interest income from capital investments directly or indirectly secured by German-situs real estate, unless the Mortgage Covered Bonds qualify as global notes (*Sammelurkunden*) within the meaning of Section 9a of the German Custody Act

(*Depotgesetz*) or as fungible notes representing the same issue (*Teilschuldverschreibungen*); or (iii) the Mortgage Covered Bonds are not kept in a custodial account with a Disbursing Agent and interest or proceeds from the sale, assignment or redemption of the Mortgage Covered Bonds are paid by a Disbursing Agent upon presentation of a coupon to a holder of such coupon (other than a non-German bank or financial services institution) (*Tafelgeschäft*), if any. In the cases (i), (ii) and (iii) a tax regime similar to that explained above under "Tax Residents" applies.

Non-residents of Germany are, as a rule, exempt from German withholding tax on interest and the solidarity surcharge thereon, even if the Mortgage Covered Bonds are held in custody with a Disbursing Agent. However, where the interest income is subject to German taxation as set forth in the preceding paragraph and the Mortgage Covered Bonds are held in a custodial account with a Disbursing Agent or in case of a *Tafelgeschäft*, withholding flat tax is levied as explained above under "Tax Residents".

The withholding tax may be refunded based upon an applicable double taxation treaty or German national tax law.

### *1.3 Inheritance and Gift Tax*

No inheritance or gift taxes with respect to the Mortgage Covered Bonds will arise under the laws of Germany, if, in the case of inheritance tax, neither the decedent nor the beneficiary, or, in the case of gift tax, neither the donor nor the donee, is a resident of Germany and such Mortgage Covered Bonds are not attributable to a German trade or business for which a permanent establishment is maintained or a permanent representative has been appointed in Germany. Exceptions from this rule apply to certain German expatriates.

### *1.4 Other Taxes*

No stamp, issue, registration or similar taxes or duties are payable in Germany in connection with the issuance, delivery, execution or conversion of the Mortgage Covered Bonds. Currently, net assets tax (*Vermögensteuer*) is not levied in Germany. It is intended to introduce a financial transaction tax, but the timing and form are not yet clear. Recent press releases suggest that the scope of the financial transaction tax may be limited to share transactions so that the trading of Mortgage Covered Bonds would not be subject to the financial transaction tax.

## **3. Taxation in Luxembourg**

*The following is a general description of certain Luxembourg withholding tax considerations relating to the Mortgage Covered Bonds. It does not address any other Luxembourg tax aspects of acquiring, holding or disposing of the Mortgage Covered Bonds. It does not purport to be a complete analysis of all tax considerations relating to the Mortgage Covered Bonds, whether in Luxembourg or elsewhere. It is included herein solely for preliminary information purposes and is not intended to be, nor should it be construed to be, legal or tax advice. Prospective purchasers of the Mortgage Covered Bonds should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Mortgage Covered Bonds and receiving payments of interest, principal and/or other amounts under the Mortgage Covered Bonds and the consequences of such bonds under the tax laws of Luxembourg.*

*This overview is based upon the Luxembourg law and regulations as in effect and as interpreted by the Luxembourg tax authorities on the date of this Base Prospectus and is subject to any amendments in law (or in interpretation) later introduced, whether or not on a retroactive basis. The information contained within this section is limited to withholding taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Mortgage Covered Bonds.*

*Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature refers to Luxembourg tax law and/or concepts only.*

The Issuer, in its capacity as debtor, is not responsible for the withholding of the tax levied in Luxembourg, if any, and therefore assumes no responsibility for the withholding of taxes at the source.

Additionally, a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharges (*contributions au fonds pour l'emploi*), as well as personal income tax (*impôt sur le revenu*) generally. Prospective holders may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes.

Corporate income tax, municipal business tax as well as the solidarity surcharge apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

## 2.1 Withholding Tax and Self Applied Tax

### 2.1.1 Tax residency

A holder of the Mortgage Covered Bonds will not become resident, nor be deemed to be resident, in Luxembourg solely by virtue of holding and/or disposing of Mortgage Covered Bonds or the execution, performance, delivery and/or enforcement of his/her rights thereunder.

### 2.1.2 Non-resident holders of the Mortgage Covered Bonds

Under Luxembourg tax laws currently in force, all payments of interest (including accrued but unpaid interest) and principal by the Issuer in the context of the holding, disposal, redemption or repurchase of the Mortgage Covered Bonds are free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law.

### 2.1.3 Resident individual holders of the Mortgage Covered Bonds

Under the amended law of 23 December 2005 (the "**Relibi Law**"), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner who is resident in Luxembourg will be subject to a withholding tax. This withholding tax also applies on accrued interest received upon disposal, redemption or repurchase of the Mortgage Covered Bonds. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Payments of interest under the Mortgage Covered Bonds coming within the scope of the Relibi Law would be subject to withholding tax of 20 per cent.

Further, pursuant to the Relibi Law, Luxembourg resident individuals who are the beneficial owners of interest payments and other similar income made by a paying agent established outside Luxembourg, in a Member State of either the European Union or the European Economic Area, can opt to self declare and pay a 20 per cent. levy. In such case, the 20 per cent. levy is calculated on the same amounts as for the payments made by Luxembourg resident paying agents. The option for the 20 per cent. levy must cover all interest payments made by the paying agent to the Luxembourg resident beneficial owner during the entire civil year.

In each case described above, responsibility for the withholding tax is assumed by the Luxembourg paying agent and not by the Issuer.

## 2.2 Income Taxation on Principal, Interest, Gains on Sales or Redemption

### 2.2.1 Taxation of Luxembourg non residents

A non resident holder of Mortgage Covered Bonds, not having a permanent establishment or permanent representative in Luxembourg to which/whom such Mortgage Covered Bonds are attributable, is not subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Mortgage Covered Bonds. A gain realised by such non resident holder of Mortgage Covered Bonds on the sale or disposal, in any form whatsoever, of Mortgage Covered Bonds is further not subject to Luxembourg income tax.

A non Luxembourg tax resident corporate holder of Mortgage Covered Bonds or a non Luxembourg tax resident individual holder of Mortgage Covered Bonds acting in the course of the management of a professional or business undertaking, who has a permanent establishment or a permanent representative in Luxembourg to which such Mortgage Covered Bonds are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts under Mortgage Covered Bonds and on any gains realized upon sale of disposal, in any form whatsoever, of Mortgage Covered Bonds.

### 2.2.2 Taxation of Luxembourg residents

A Luxembourg tax resident corporate holder, must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realized on the sale or disposal, in any form whatsoever, of Mortgage Covered Bonds, in its taxable income for Luxembourg income tax assessment purposes. The same inclusion applies to an individual holder of Mortgage Covered Bonds, acting in the course of the management

of a professional or business undertaking. If applicable, the tax levied in accordance with the Law will be credited against his/her final tax liability.

Luxembourg resident corporate holders of Mortgage Covered Bonds which are companies benefiting from a special tax regime (such as e.g. family wealth management companies subject to the law of 11 May 2007, as amended, undertakings for collective investment subject to the law of 17 December 2010, as amended, specialised investment funds subject to the law of 13 February 2007, as amended) and reserved alternative investment funds subject to the law of 23 July 2016 (except under the optional alternative tax regime applicable when investing in risk capital) are tax exempt entities in Luxembourg, and are thus not subject to any Luxembourg tax (i.e., corporate income tax, municipal business tax and net wealth tax) other than the subscription tax calculated on their share capital or net asset value.

A Luxembourg tax resident individual holder, acting in the course of the management of his / her private wealth, is subject to Luxembourg income tax in respect of interest received, redemption premiums or issue discounts, under Mortgage Covered Bonds, except if withholding tax has been levied on such payments in accordance with the Law (as this withholding tax would represent the final tax liability in his/her hands). A gain realized by a Luxembourg tax resident individual holder, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of Mortgage Covered Bonds is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after Mortgage Covered Bonds were acquired. However, any portion of received amounts corresponding to accrued but unpaid interest income is subject to Luxembourg income tax (in case it would not have suffered the 20% withholding tax under the Relibi Law).

In addition, pursuant to the Relibi Law, Luxembourg tax resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 20% flat tax on interest payments made by certain paying agents not established in Luxembourg (defined in the same way as in the EC Council Directive 2003/48/EC) i.e., paying agents located in an EU member state other than Luxembourg or a member state of the European Economic Area (i.e., Iceland, Norway and Liechtenstein). In case such option is exercised, such interest does not need to be reported in the annual tax return.

An individual holder of Mortgage Covered Bonds acting in the course of the management of a professional or business undertaking must include this interest received or accrued in its taxable basis. If applicable, the tax levied in accordance with the Relibi Law will be credited against his/her final tax liability.

### 2.3 Net Wealth tax

Luxembourg net wealth tax will not be levied on a corporate holder of Mortgage Covered Bonds, unless (i) such holder of Mortgage Covered Bonds is a company resident in Luxembourg for the purpose of the relevant legal provisions; or (ii) the Mortgage Covered Bonds are attributable to an enterprise or a part thereof which is carried on through a permanent establishment or a permanent representative in Luxembourg. In such a case, the holder of Mortgage Covered Bonds must take the Mortgage Covered Bonds into account for the purposes of Luxembourg wealth tax, except, under certain circumstances, if the holder of Mortgage Covered Bonds is governed by any of the following: (i) the amended law of 17 December 2010 on undertakings for collective investment; (iii) the amended law of 22 March 2004 on securitization (except for a minimum net wealth tax); (iv) the amended law of 15 June 2004 on the investment company in risk capital (except for a minimum net wealth tax), (v) the amended law of 11 February 2007 on specialized investment funds, (vi) the law of 11 May 2007 on the private family asset holding companies and (vii) the law of 23 July 2016 on reserved alternative investment funds (except for a minimum net wealth tax under the optional alternative tax regime applicable when investing in risk capital). A minimum net wealth tax ("MNWT") is levied on companies having their statutory seat or central administration in Luxembourg. For entities for which the sum of fixed financial assets, receivables against related companies transferable securities and cash at bank exceeds cumulatively 90% of their total balance sheet and EUR 350,000, the MNWT is currently set at EUR 4,815. For all other companies having their statutory seat or central administration in Luxembourg which do not fall within the scope of the EUR 4,815 MNWT, the MNWT ranges from EUR 535 to EUR 32,100, depending on the company's total balance sheet.

An individual holder of Mortgage Covered Bonds, whether he/she is a resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such Mortgage Covered Bonds.

### 2.4 Other taxes

No stamp, registration, transfer or similar taxes or duties will be payable in Luxembourg by holders of Mortgage Covered Bonds in connection with the issue of the Mortgage Covered Bonds, nor will any of these taxes be payable as a consequence of a subsequent transfer or redemption of the Mortgage Covered Bonds, unless the documents relating to the Mortgage Covered Bonds are (i) voluntarily registered in Luxembourg or (ii) are

physically attached (annexe(s)) to a public deed or any other document subject to mandatory registration in Luxembourg.

There is no Luxembourg value added tax payable in respect of payments in consideration for the issuance of the Mortgage Covered Bonds or in respect of the payment of interest or principal under the Mortgage Covered Bonds or the transfer of the Mortgage Covered Bonds. Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the issuer of the Mortgage Covered Bonds, if for Luxembourg value added tax purposes, such services are rendered or are deemed to be rendered in Luxembourg and an exemption from Luxembourg value added tax does not apply with respect to such services.

## SUBSCRIPTION AND SALE

The Dealers have, in the Dealer Agreement dated 15 December 2020 (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 (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 and 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 this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area or in the United Kingdom. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (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: Selling Restrictions Addressing additional Securities Laws**

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 of the Programme have been duly authorised by resolution of the Board of Directors of the Issuer dated 25 August 2020, by resolution of the General Meeting of the Issuer dated 2 November 2020 and by resolution of the Supervisory Board of the Issuer dated 9 September 2020.

### Approval of the Base Prospectus, Listing and Admission to Trading of Mortgage Covered Bonds

Application has been made to the CSSF to approve this document as a base prospectus in accordance with the Prospectus Regulation. 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 MiFID II and Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (MiFIR) 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 EUR 100,000 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, EUR 1,000 (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 documents listed under (a), (b), (c) and (e) also on the Issuer's website [www.rb.cz](http://www.rb.cz), where they will remain publicly available in electronic form for at least 10 years after their publication on the relevant websites:

- (a) the Founding Deed and Articles of Association of the Issuer (with an English translation thereof);
- (b) the consolidated audited financial statements of the Issuer in respect of the financial years ended 31 December 2018 and 31 December 2019 (drawn up in English or with an English translation thereof), in each case together with the audit reports prepared in connection therewith. The Issuer currently prepares audited consolidated and non-consolidated accounts on an annual basis;
- (c) the unaudited interim consolidated financial statements for the six months ended 30 June 2020 of the Issuer;
- (d) the Dealer Agreement, the Agency Agreement and the Asset Monitor Agreement;
- (e) a copy of this Base Prospectus; and
- (f) 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.

## **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 appropriate Common Code and ISIN for each Tranche of Mortgage Covered Bonds allocated by Euroclear and Clearstream, Luxembourg 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.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, 1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxembourg.

## **Notification to the Czech National Bank**

Pursuant to Section 8a of the Czech Capital Markets Supervision Act, the issuance of each Series and/or Tranche of the Mortgage Covered Bonds must be notified to the Czech National Bank no later than on the date of issue of the relevant Covered Bonds setting out the place of issue and amount of relevant Series or Tranche and the form (in Czech, *forma*), 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.

## **No Significant or Material Adverse Change**

There has been no significant change in the financial performance since 30 June 2020 or the financial position of the Issuer or the Raiffeisen Group since 30 June 2020 and there has been no material adverse change in the prospects of the Issuer since 31 December 2019.

## **Litigation**

Neither the Issuer nor any other member of the Raiffeisen Group 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 had in such a period a significant effect on the financial position or profitability of the Issuer or the Raiffeisen Group.

## **Material Contracts**

The Issuer has not 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 another member of the Raiffeisen Group 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, who have audited the Issuer's accounts, without qualification, in accordance with International Standards on Auditing as of and for each of the two financial years ended on 31 December 2019 and 31 December 2018, are KPMG Česká republika Audit, s.r.o. (the "**Auditor**"), members of the Chamber of Auditors of the Czech Republic, registration number 71.

The statutory auditor responsible for the audit of the Issuer's accounts is Mr. Jindřich Vašina, registration number 2059.

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.

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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 Hypothekendarlehenbriefe gemäß Basisprospekt (sowie den dazugehörigen Nachträgen, soweit vorhanden) (die "**Hypothekendarlehenbriefbedingungen**").

**[VERTRIEBSVERBOT AN PRIVATINVESTOREN IM EWR UND IM VEREINIGTEN KÖNIGREICH** – Die Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe an Privatinvestoren im EWR oder im Vereinigten Königreich erforderlich, erstellt und dementsprechend könnte das Angebot, der Vertrieb oder die sonstige Zurverfügungstellung der Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe hat – ausschließlich für den Zweck des Produktgenehmigungsverfahrens [des/jedes] Konzepteurs – zu dem Ergebnis geführt, dass (i) der Zielmarkt für die Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe angemessen sind [einschließlich Anlageberatung, Portfolio-Management, Verkäufe ohne Beratung und reine Ausführungsdienstleistungen]. [*Negativen Zielmarkt berücksichtigen.*] Jede Person, die in der Folge die Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe 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 auf 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 Hypothekendarlehenbriefbedingungen 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 Hypothekendarlehenbriefbedingungen stellen für die betreffende Serie der Hypothekendarlehenbriefe 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 Hypothekendarlehenbedingungen, die im Zusammenhang mit Teil I dieser Endgültigen Bedingungen zu lesen sind, stellen für die betreffende Serie der Hypothekendarlehenbriefe die Bedingungen dar (die "**Bedingungen**").

Teil I der Endgültigen Bedingungen ist in Verbindung mit dem jeweiligen Satz der Hypothekendarlehenbedingungen zu lesen, der auf Festverzinsliche Hypothekendarlehenbriefe, Variabel Verzinsliche Hypothekendarlehenbriefe und Nullkupon-Hypothekendarlehenbriefe Anwendung findet und im Basisprospekt als Option I, Option II oder Option III bezeichnet ist. Begriffe, die in den Darlehenbedingungen 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 Hypothekendarlehenbedingungen.

Die Platzhalter in den auf die Hypothekendarlehenbriefe anwendbaren Bestimmungen der Hypothekendarlehenbedingungen 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 Hypothekendarlehenbedingungen, die nicht durch in den Endgültigen Bedingungen enthaltene Angaben ausgewählt und ausgefüllt wurden, gelten als in den auf die Hypothekendarlehenbriefe anwendbaren Bedingungen gestrichen.

In Teil II der Endgültigen Bedingungen sind alle sonstigen Bedingungen enthalten, die nicht in den Hypothekendarlehenbedingungen einzusetzen sind und die für alle Hypothekendarlehenbriefe gelten.

## **Endgültige Bedingungen**

vom [●]

### **RAIFFEISENBANK A.S.**

Emission von [Bezeichnung der Hypothekendarfandbriefe]  
(die "**Hypothekendarfandbriefe**")

Ausgabepreis: [●]% [Informationen zu aufgelaufenen Zinsen einfügen bei einer Aufstockung einer Serie von Hypothekendarfandbriefen]

Seriennummer [●]

Tranchennummer [●]

[(die mit [Bezeichnung der betreffenden Serie der Hypothekendarfandbriefe] begeben am [●] konsolidiert werden, eine einheitliche Serie bilden und ihren Gesamtnennbetrag erhöhen)]

Im Rahmen des

**EUR 5.000.000.000**

**Hypothekendarfandbriefprogramms**  
**der Raiffeisenbank a.s.**

*Dieses Dokument stellt die Endgültigen Bedingungen der hierin beschriebenen Hypothekendarfandbriefe 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, dar. Diese Endgültigen Bedingungen müssen, um sämtliche Angaben zu erhalten, zusammen mit den Informationen gelesen werden, die enthalten sind [(a) im Basisprospekt vom 15. Dezember 2020 [(b) und [dem Nachtrag][den Nachträgen] dazu vom [●]] (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.rb.cz](http://www.rb.cz)*

## Teil I

**[[Falls die für die betreffenden Hypothekendarfbriefe 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 Hypothekendarfbriefen 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 Hypothekendarfbriefen sind die relevanten Bestimmungen von Option II (einschließlich einschlägiger zusätzlicher darin enthaltener Optionen) zu wiederholen und die relevanten Platzhalter auszufüllen.]**

**[Im Falle von Nullkupon-Hypothekendarfbriefen 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 Hypothekendarfbriefen, die gemäß dem Basisprospekt für die Begebung von Hypothekendarfbriefen 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 Hypothekendarfbriefen] [Variabel Verzinslichen Hypothekendarfbriefen] [Nullkupon-Hypothekendarfbriefen] auszufüllen:**

## § 1

### Serie, Form der Hypothekendarfandbriefe, Ausgabe weiterer Hypothekendarfandbriefe [, Definitionen]

- Ausgabebetrag: *[Ausgabebetrag einfügen]*
- Festgelegte Wahrung: *[Euro ("EUR")] [Festgelegte Wahrung einfügen]*
- CRR-kompatibel: *[Ja] [Nein]*
- Anwendung der Steuerausgleichspflicht (sog. Gross-  
up) (§ 6): *[Ja] [Nein]*
- Gesamtnennbetrag:
- (i) Serie: *[Bis zu] [Gesamtnennbetrag der Serie einfügen]*
- (ii) Tranche: *[Gesamtnennbetrag der Tranche einfügen]*
- Festgelegte Stuckelung: *[Festgelegte Stuckelung einfügen]*
- Form der Hypothekendarfandbriefe:
- Vorlaufige 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 Luxembourg
- Euroclear Bank SA/NV  
Boulevard du Roi Albert II  
B-1210 Brussel

#### Classical Global Note oder New Global Note:

- Classical Global Note
- New Global Note

## § 2

### Zinsen

#### **Option I: Festverzinsliche Hypothekendarfandbriefe**

- [Verzinsungsbeginn: *[Verzinsungsbeginn einfügen]*
- Stufenzins-Hypothekendarfandbriefe: *[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)<sup>46</sup>

Vom Fälligkeitstag bis zum Verlängerten Fälligkeitstag: *[Zinszahltag(e) einfügen]* [jeden Monats] bis zum Verlängerten Fälligkeitstag (einschließlich / ggfs. andere präzisierende Angabe)<sup>47</sup>

[Zinszahltag(e) und dazugehörige Zinssätze: **Zinszahltag** **dazugehörige Zinssätze**

*[Zinszahltag einfügen]* *[dazugehörige Zinssätze einfügen]*<sup>48</sup>

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 Hypothekendarlehen**

[Verzinsungsbeginn: *[Verzinsungsbeginn einfügen]*

<sup>46</sup> Ausschließlich in Bezug auf Hypothekendarlehen anwendbar, die keine Stufenzins-Hypothekendarlehen sind.

<sup>47</sup> Ausschließlich in Bezug auf Hypothekendarlehen anwendbar, die keine Stufenzins-Hypothekendarlehen sind.

<sup>48</sup> Ausschließlich in Bezug auf Stufenzins-Hypothekendarlehen anwendbar.

Fest- zu variabel verzinsliche Hypothekendarlehen [Ja] [Nein]

[Festgelegte(r) Zinszahltag(e) während des Festzinszeitraums: *[festgelegte(n) Zinszahltag(e) während des Festzinszeitraums einfügen]* [eines jeden Jahres]]<sup>49</sup>

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]*]<sup>50</sup>

[erster Zinszahltag innerhalb des Variablen Zinszeitraums: *[ersten Zinszahltag innerhalb des Variablen Zinszeitraums einfügen]*]<sup>51</sup>

[Fester Zinssatz für den Festzinszeitraum: *[Prozentsatz einfügen]* % pro Jahr

Anfänglicher Bruchteilzinsbetrag (pro festgelegte Stückelung): *[Anfänglichen Bruchteilzinsbetrag einfügen]* [Nicht anwendbar]<sup>52</sup>

Anfänglicher Bruchteilzinsbetrag (bezogen auf den Gesamtnennbetrag pro [Serie][Tranche]): *[Anfänglichen Bruchteilzinsbetrag einfügen]* [Nicht anwendbar]<sup>53</sup>

Bildschirmfeststellung:

Bis zum Fälligkeitstag:

Variabel verzinsliche Hypothekendarlehen, bei denen die Verzinsung von der [Euro Interbank Offered Rate (Euribor)] [London Interbank Offered Rate (Libor)] [SONIA®] [SOFR®] [€STR®] [Prague Interbank Offered Rate (Pribor)] abhängt

<sup>49</sup> Ausschließlich in Bezug auf Fest- zu variabel verzinslichen Hypothekendarlehen anwendbar.

<sup>50</sup> Ausschließlich im Fall eines ersten langen/kurzen Kupons anwendbar.

<sup>51</sup> Ausschließlich in Bezug auf Fest- zu variabel verzinslichen Hypothekendarlehen anwendbar.

<sup>52</sup> Ausschließlich in Bezug auf Fest- zu variabel verzinslichen Hypothekendarlehen anwendbar.

<sup>53</sup> Ausschließlich in Bezug auf Fest- zu variabel verzinslichen Hypothekendarlehen anwendbar.



- Euribor (Brüsseler Zeit / TARGET2 Bankarbeitstag / Interbankenmarkt in der Euro-Zone):

[Zeitraum/Zeiträume einfügen][●]

Bildschirmseite: Reuters Bildschirmseite EURIBOR01 oder eine Nachfolgeseite
  
- Libor (Londoner Ortszeit / Londoner Bankarbeitstag / Londoner Hauptniederlassung / Londoner Interbankenmarkt):

[US-Dollar][andere Währung einfügen]  
[Zeitraum/Zeiträume einfügen][●]

Bildschirmseite: Reuters Bildschirmseite LIBOR01 oder eine Nachfolgeseite

Finanzzentrum: [Finanzzentrum der Festgelegten Währung einfügen]
  
- SONIA<sup>®</sup> (Londoner Zeit / Londoner Bankarbeitstag)

Bildschirmseite: [●]

Berechnung durch: [Berechnungsstelle] [●]

Anzahl der Londoner Bankarbeitstage "p": [●]
  
- SOFR<sup>®</sup> (New Yorker Zeit / US Staatsanleihen Bankarbeitstag)

Bildschirmseite: [●]

Berechnung durch: [Berechnungsstelle] [●]

Anzahl der US Staatsanleihen Bankarbeitstage "p": [●]
  
- €STR<sup>®</sup> (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] [[US-Dollar] [*andere Währung einfügen*] Libor] [Pribor]-Angebotssatz und dem [*Zahl einfügen*]-Monats-[Euribor] [[US-Dollar] [*andere Währung einfügen*] Libor] [Pribor]-Angebotssatz, der auf der Bildschirmseite jeweils um 11:00 Uhr [*Im Fall des Euribor als Referenzzinssatz einfügen*: Brüsseler] [*Im Fall des Libor als Referenzzinssatz einfügen*: Londoner] [*Im Fall des Pribor als Referenzzinssatz einfügen*: Prager] Zeit angezeigt wird.]

Variabel Verzinsliche Hypothekenpfandbriefe, 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 Hypothekendarlehen, bei denen die Verzinsung von der [Euro Interbank Offered Rate (Euribor)] [London Interbank Offered Rate (Libor)] [SONIA<sup>®</sup>] [SOFR<sup>®</sup>] [€STR<sup>®</sup>] [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 Nachfolgeside

- Libor (Londoner Ortszeit / Londoner Bankarbeitstag / Londoner Hauptniederlassung / Londoner Interbankenmarkt): [US-Dollar][*andere Währung einfügen*] [Zeitraum/Zeiträume einfügen][●]

Bildschirmseite: Reuters Bildschirmseite LIBOR01 oder eine Nachfolgeside

Finanzzentrum der Festgelegten Währung: [*Finanzzentrum der Festgelegten Währung einfügen*]

- SONIA<sup>®</sup> (Londoner Zeit / Londoner Bankarbeitstag)

Bildschirmseite: [●]

Berechnung durch: [Berechnungsstelle] [●]

Anzahl der Londoner Bankarbeitstage "p": [●]

- SOFR<sup>®</sup> (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] [[US-Dollar] [*andere Währung einfügen*] Libor] [Pribor]-Angebotssatz und dem [*Zahl einfügen*]-Monats-[Euribor] [[US-Dollar] [*andere Währung einfügen*] Libor] [Pribor]-Angebotssatz, der auf der Bildschirmseite jeweils um 11:00 Uhr [*Im Fall des Euribor als Referenzzinssatz einfügen*: Brüsseler] [*Im Fall des Libor als Referenzzinssatz einfügen*: Londoner] [*Im Fall des Pribor als Referenzzinssatz einfügen*: Prager] Zeit angezeigt wird.]
- Variabel Verzinsliche Hypothekendarlehen, 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]



Festgelegte Stückelung

Anderer Betrag: *[Betrag einfügen]* pro festgelegte Stückelung<sup>60</sup>

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  
Hypothekendarlehen: [Ja] [Nein]

Kündigungsfrist: *[Zahl einsetzen (mindestens 5 Bankarbeits-  
tage)]* [Bankarbeitstage] [Monate]

[Aufgelaufene Zinsen werden separat  
gezahlt: [Ja] [Nein]]<sup>61</sup>

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:<sup>62</sup>

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] Mindestfrist: [●] Tage  
(Rückzahlung aus steuerlichen Gründen):

Höchstfrist: [●] Tage

[Aufgelaufene Zinsen werden gesondert  
gezahlt: [Ja] [Nein]]<sup>63</sup>

Kündigungsfrist für die Bedingung gemäß [§ 3 [Abs. 2][Abs. 3]] (Rückzahlung aufgrund einer  
Gesetzeswidrigkeit oder Ungültigkeit): Mindestfrist: [●] Tage

Höchstfrist: [●] Tage

[Aufgelaufene Zinsen werden gesondert  
gezahlt: [Ja] [Nein]]<sup>64</sup>

<sup>60</sup> Nur anwendbar im Fall von Nullkupon Hypothekendarlehen. Ein solcher Rückzahlungsbetrag darf nicht geringer sein als die festgelegte Stückelung der Hypothekendarlehen.

<sup>61</sup> Nur anwendbar für Hypothekendarlehen, die nicht Nullkupon Hypothekendarlehen sind.

<sup>62</sup> Nur anwendbar im Fall von Nullkupon Hypothekendarlehen.

<sup>63</sup> Nur anwendbar im Falle von anderen als Nullkupon Hypothekendarlehen.

<sup>64</sup> Nur anwendbar im Falle von anderen als Nullkupon Hypothekendarlehen.

Bei Rückzahlung aus steuerlichen Gründen bzw. [●]  
Rückzahlung aufgrund eines Kündigungsgrundes zu  
zahlender Vorzeitiger Rückzahlungsbetrag

[Emissionsrendite:

Referenzpreis: [*Referenzpreis einfügen*]

Emissionsrendite: [*Emissionsrendite einfügen*]]<sup>65</sup>

#### § 4 Zahlungen

Rundung von zahlbaren Beträgen:

[aufgerundet] [stets abgerundet]

Dual-Currency-Hypothekenpfandbriefe

[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

<sup>65</sup> Nur anwendbar im Fall von Nullkupon Hypothekenpfandbriefen.



- Floating Rate Convention<sup>66</sup> [[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]

## § 11

### Mitteilungen

[Mitteilungen können in elektronischer Form auf der Internetseite der jeweiligen Börse gemacht werden:<sup>67</sup> [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]

<sup>66</sup> Nur anwendbar im Fall von variabel verzinslichen Hypothekendarlehen.

<sup>67</sup> Nur anwendbar im Fall von Hypothekendarlehen, die an einer Börse gelistet sind.

**[§ 15  
Sprache**

Sprache der Hypothekendarfandbriefbedingungen:

- 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.)]

**§ 16  
(Änderungen der Hypothekendarfandbriefbedingungen)**

Versammlung der Hypothekendarfandbriefgläubiger:

- in Form einer Präsenzveranstaltung
- ohne physische Begegnung

Beschränkte Haftung des gemeinsamen Vertreters der Hypothekendarfandbriefgläubiger: [Haftung beschränkt auf das [*Multiplikator einfügen*]-fache der Jahresvergütung des gemeinsamen Vertreters] [*Betrag einfügen*] [Nicht einschlägig]]

## Teil II

### [ANGABEN BEZOGEN AUF SCHULDTITEL MIT EINER MINDESTSTÜCKELUNG VON EUR 100.000

#### 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** *[Nicht anwendbar] [Allgemeiner Geschäftszweck][Grüne Hypothekendarlehenbriefe] [Soziale Hypothekendarlehenbriefe] [•]*

#### 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 Hypothekendarlehenbriefe zum Zeitpunkt ihrer Emission bei einer der internationalen zentralen Verwahrstellen (ICSDs) als gemeinsame Sicherheitsverwahrstelle einzureichen. Das bedeutet nicht notwendigerweise, dass die Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe 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 Hypothekendarlehenbriefe diese Kriterien erfüllen können. Dies bedeutet nicht notwendigerweise, dass die Hypothekendarlehenbriefe 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]<sup>68</sup>

[Nicht anwendbar. Die Rendite der Hypothekendarlehen kann nicht [zum Ausgabebetrag] ermittelt werden.]

## Vertriebsmethode

- Nicht syndiziert
- Syndiziert

## Einzelheiten bezüglich des Managements

Dealer/Bankenkonsortium: [Nicht anwendbar] [*Einzelheiten angeben*]

## Provisionen

[Management- und Übernahmeprovision<sup>69</sup> [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*]

<sup>68</sup> Nur für festverzinsliche Hypothekendarlehen anwendbar.

<sup>69</sup> Es gibt keine Verpflichtung, Informationen hinsichtlich einer Management- und Übernahmeprovision und einer Verkaufsprovision anzugeben, wenn die Hypothekendarlehen eine Mindeststückelung von EUR 100.000 oder dem entsprechenden Betrag in einer anderen Währung haben.

**Börsenzulassung(en) und Zulassung zum Handel** [Ja] [Nein]

Luxemburger Börse

Regulierter Markt

EuroMTF

Sonstige: [•]

**Rating**<sup>70</sup> [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 Hypothekendarlehen zinsbaren Beträge können unter Bezugnahme auf den [EURIBOR<sup>®</sup>, der derzeit vom European Money Markets Institute (EMMI) zur Verfügung gestellt wird] [[LIBOR<sup>®</sup>][CMS], der derzeit von der ICE Benchmark Administration (IBA) zur Verfügung gestellt wird] [SONIA<sup>®</sup>, der derzeit von der Bank of England zur Verfügung gestellt wird] [SOFR<sup>®</sup>, 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 einfügen*], 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.]]

[Raiffeisenbank a.s.

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[Name]

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<sup>70</sup> Maßgebliches Rating hinsichtlich der Hypothekendarlehen, soweit vorhanden, einfügen.

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