

# Erste Group Bank AG

(Incorporated as a stock corporation in the Republic of Austria under registered number FN 33209 m)

## €30,000,000,000

## Debt Issuance Programme

On 3 July 1998, Erste Bank der oesterreichischen Sparkassen AG entered into a Debt Issuance Programme (the "Programme"). The Programme was subsequently amended and updated on 2 July 1999, 29 June 2000, 29 June 2001, 17 May 2002, 19 May 2003, 17 May 2004, 9 November 2005, 10 August 2006, 10 August 2007, and 12 August 2008. With effect from 9 August 2008, Erste Bank der oesterreichischen Sparkassen AG demerged its Austrian banking business into a wholly owned subsidiary and changed its name to Erste Group Bank AG (the "Issuer" or "Erste Group Bank"). With effect from the date hereof, the Programme has been updated and this Prospectus supersedes and replaces the Prospectus dated 12 August 2008. Any Notes to be issued after the date hereof under the Programme are issued subject to the provisions set out herein, save that Notes which are to be consolidated and form a single series with Notes issued prior to the date hereof will be issued subject to the Conditions of the Notes applicable on the date of issue for the first tranche of Notes of such series. Subject as aforesaid, this Prospectus does not affect any Notes issued prior to the date hereof.

Under the Programme, the Issuer, subject to compliance with all relevant laws, regulations and directives, may from time to time issue debt securities specified in the relevant Final Terms (as defined herein) as either domestic notes issued in the German or English language under Austrian law ("Domestic Notes") or international notes issued in the English language under either English or Austrian law ("International Notes", and together with Domestic Notes, the "Notes"). Subject to compliance with all relevant laws, regulations and directives, the Notes will have a minimum maturity of one month and no maximum maturity. The aggregate principal amount of Notes outstanding (i.e. Notes not redeemed) will not at any time exceed €30,000,000,000 (or the equivalent in other currencies).

This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* ("CSSF") of the Grand-Duchy of Luxembourg ("Luxembourg") in its capacity as competent authority under the Luxembourg Act on Securities Prospectuses (*loi relative aux prospectus pour valeurs mobilières*) (the "Luxembourg Act") for approval of this prospectus.

Application may be made for the Programme and/or the Notes to be admitted to the "Amtlicher Handel" (Official Market) and the "Geregelter Freiverkehr" (Second Regulated Market) (together, the "Austrian Markets") of the Wiener Börse AG (the "Vienna Stock Exchange"). Application may also be made to list Notes on the official list of the Luxembourg Stock Exchange and to admit to trading such Notes on the regulated market (together with the Austrian Markets, the "Markets") of the Luxembourg Stock Exchange (*Bourse de Luxembourg*). References in this Prospectus to Notes being listed (and all related references) shall mean that such Notes have been admitted to trading on the Markets, each of which is a regulated market for the purposes of the Directive 2004/39/EC on markets in financial instruments ("MiFID"). Unlisted Notes may be issued pursuant to this Programme. The relevant Final Terms in respect of the issue of any Notes will specify whether or not such Notes will be admitted to trading on the Markets (or any other market and/or stock exchange).

The Issuer has requested the CSSF to provide the competent authorities in other host Member States within the European Economic Area including Austria, Germany, the Czech Republic, Hungary, Poland, the Slovak Republic, Romania, Slovenia, Italy and Malta with a certificate of approval attesting that this Prospectus has been drawn up in accordance with Article 5.4 of Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, as amended (the "Prospectus Directive") and relevant implementing legislation in Luxembourg.

Each Series (as defined herein) of Notes in bearer form will be represented on issue by a temporary global note in bearer form (a "temporary Global Note") or a permanent global note in bearer form (a "permanent Global Note" and each of the temporary Global Note and permanent Global Note, a "Global Note"). Notes in registered form will be represented by a global registered certificate (the "Global Certificate") or by registered certificates (each a "Certificate"), one Certificate being issued in respect of each Noteholder's entire holding of registered Notes of one Series. If the Global Notes are stated in the applicable Final Terms to be issued in new global note ("New Global Note" or "NGN") form they may be intended to be eligible collateral for Eurosystem monetary policy and will be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the "Common Safekeeper") for Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg").

Global Notes which are not issued in NGN form ("Classic Global Notes" or "CGNs") and Global Certificates will be deposited on the issue date with a common depository on behalf of Euroclear and Clearstream, Luxembourg (the "Common Depository"). Global Notes and Global Certificates representing Domestic Notes may be deposited on the issue date with Oesterreichische Kontrollbank Aktiengesellschaft ("OeKB") or with a depository on behalf of OeKB or with or on behalf of the Issuer. The provisions governing the exchange of interests in Global Notes or Global Certificates for other Global Notes and definitive Notes and Certificates, respectively, are described in "Summary of Provisions Relating to the Notes while in Global Form".

Tranches of Notes (as defined in "General Description of the Programme") may be rated or unrated. Where a Tranche of Notes is rated, such rating will be specified in the relevant Final Terms. A 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.

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Prospectus. This Prospectus does not describe all of the risks of an investment in the Notes, but the Issuer believes that all material risks relating to an investment in the Notes have been described.

*Arranger for Domestic Notes*

**Erste Group Bank AG**

*Arranger for International Notes*

**J.P. Morgan**

*Dealers*

**Erste Bank der oesterreichischen Sparkassen AG**

**Erste Group Bank AG**

*This Prospectus comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive and relevant implementing legislation in Luxembourg, and for the purpose of giving information with regard to the Issuer and its subsidiaries and affiliates taken as a whole (the "Erste Group") and the Notes which, according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.*

*This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "Documents Incorporated by Reference" below). Such documents shall be deemed to be incorporated in, and form part of this Prospectus, save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.*

*No person has been authorised to give any information or to make any representation other than those contained in this Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers (as defined in "Subscription and Sale") or either of J.P. Morgan Securities Ltd. (the "International Arranger") or Erste Group Bank AG (in its capacity as the arranger of issues of Domestic Notes only, the "Domestic Arranger" and together with the International Arranger, the "Arrangers"). Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Erste Group since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the Erste Group since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. Any material new circumstances or any material incorrectness or inaccuracy as to the statements contained in this Prospectus that could influence the assessment of the Notes issued under the Programme and that occur or are determined between the approval of the Prospectus by the CSSF and the final end of the public offer, or if earlier, the admission to trading on a regulated market of Notes under the Programme will be included and published in a supplement to this Prospectus in accordance with the Prospectus Directive and relevant implementing legislation in Luxembourg.*

*The distribution of this Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Dealers and the Arrangers to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may include Notes in bearer form that are subject to US tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to US persons. For a description of certain restrictions on offers and sales of Notes and on distribution of this Prospectus, see "Subscription and Sale".*

*This Prospectus does not constitute an offer of, or an invitation by or on behalf of any of the Issuer, the Dealers or the Arrangers to subscribe for, or purchase, any Notes.*

*The Dealers and the International Arranger have not separately verified the information contained in this Prospectus. None of the Dealers or the International Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus. Neither this Prospectus nor any financial statements supplied in connection with the Programme or any Notes are intended to*

*provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Dealers or the Arrangers that any recipient of this Prospectus or any financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Prospectus or any financial statements and its purchase of Notes should be based upon any such investigation as it deems necessary. None of the Dealers or the International Arranger undertakes to review the financial condition or affairs of the Issuer or the Erste Group during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the International Arranger.*

This Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Prospectus as completed by final terms in relation to the offer of those Notes may only do so (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable. Except to the extent sub-paragraph (ii) above may apply, neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

**In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. 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 Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment shall be conducted in accordance with all applicable laws and rules.**

*The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed €30,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into euro at the date of the agreement to issue such Notes calculated in accordance with the provisions of the Programme Agreement, as defined under "Subscription and Sale"). The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Programme Agreement.*

*In this Prospectus, unless otherwise specified or the context otherwise requires, references to €, euro or EUR are to the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community*

*(as amended from time to time), references to CHF are to Swiss Francs, CZK are to Czech Koruna, HUF to Hungarian Forint, HRK to Croatian Kuna, PLN to Polish Zloty, UAH to Ukrainian Hryvnya, RON are to Romanian Leu, and references to "US dollars" and US\$ are to the currency of the United States of America.*

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## DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with each final terms relating to any notes that are offered under the Programme at the time of this Prospectus which have been filed with the CSSF, and the following sections of the following prospectuses, all relating to the Programme, which have been previously published:

<b>Prospectus/Section</b>	<b>Page reference in the relevant prospectus</b>
<b>The prospectus dated 9 November 2005</b>	
Terms and Conditions of the Notes	34 – 57
German Translation of the Terms and Conditions of the Notes	58 – 86
Summary of Provisions relating to the Notes while in Global Form	88 – 92
Form of Final Terms	138 – 148
German Translation of Form of Final Terms	149 – 160
<b>Prospectus/Section</b>	
<b>Page reference in the relevant prospectus</b>	
<b>The prospectus dated 10 August 2006</b>	
Terms and Conditions of the Notes	76 – 106
German Translation of the Terms and Conditions of the Notes	107 – 146
Summary of Provisions relating to the Notes while in Global Form	148 – 154
Form of Final Terms	216 – 229
German Translation of Form of Final Terms	230 – 244
<b>Prospectus/Section</b>	
<b>Page reference in the relevant prospectus</b>	
<b>The prospectus dated 10 August 2007</b>	
Terms and Conditions of the Notes	118 – 160
German Translation of the Terms and Conditions of the Notes	161 – 211
Summary of Provisions relating to the Notes while in Global Form	213 – 247
Form of Final Terms	287 – 317
German Translation of Form of Final Terms	318 – 354



<b>Prospectus/Section</b>	<b>Page reference in the relevant prospectus</b>
<b>The prospectus dated 12 August 2008</b>	
Terms and Conditions of the Notes	53 – 95
German Translation of the Terms and Conditions of the Notes	96 – 145
Summary of Provisions relating to the Notes while in Global Form	147 – 153
Form of Final Terms	227 – 257
German Translation of Form of Final Terms	258 – 294

For the avoidance of doubt, such sections of the above listed previously published prospectuses relating to the Programme which are not explicitly listed in the table above, are not incorporated by reference into this Prospectus.

Any information not listed above but included in the prospectuses incorporated by reference is given for information purposes only.

Furthermore, this Prospectus should be read and construed in conjunction with the following parts of the following documents:

<b>Document/Heading</b>	<b>Page reference in the relevant financial report</b>
<b>Audited Consolidated Financial Statements of the Issuer for the financial year ended 31 December 2007 – Annual Report 2007 -</b>	
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<b>Audited Consolidated Financial Statements of the Issuer for the financial year ended 31 December 2008 – Annual Report 2008</b>	
Consolidated Income Statement	68
Consolidated Balance Sheet	69
Consolidated Statement of Changes in Total Equity	70 – 71
Cash Flow Statement	73 – 74
Notes to the Consolidated Financial Statements	75 - 149
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**Unaudited Consolidated Interim Financial Statements of  
the Issuer for the first quarter year ended 31 March 2009 –  
Interim Report First Quarter 2009**

Statement of Comprehensive Income	9
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For the avoidance of doubt, such parts of the annual report of the Issuer for the financial years 2007 and 2008 respectively, as well as the quarterly report for the first quarter year in 2009 which are not explicitly listed in the table above, are not incorporated by reference into this Prospectus.

Any information not listed above but included in the documents incorporated by reference is given for information purposes only.

Such parts of the documents which are explicitly listed above shall be deemed to be incorporated in, and form part of this Prospectus, save that any statement contained in such a document shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in this Prospectus modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

The Prospectus, any supplement thereto, and the Final Terms for Notes that are admitted to trading on a Market or on any other market or stock exchange will be published in electronic form on the website of the Issuer under "www.erstegroup.com" and the website of the Luxembourg Stock Exchange under [www.bourse.lu](http://www.bourse.lu), except that Final Terms for Notes which are not admitted to trading on the regulated market of the Luxembourg Stock Exchange will not be published on the website of the Luxembourg Stock Exchange. Printed copies of the Prospectus, any supplement thereto and the Final Terms and the documents incorporated by reference in the Prospectus will be made available free of charge at the specified office of the Issuer.

The prospectuses incorporated by reference into this Prospectus will be available on the website of the Issuer under "www.erstegroup.com" and on the website of the Luxembourg Stock Exchange under "www.bourse.lu".

The audited consolidated financial statements of the Issuer for the financial years ended 31 December 2007 and 31 December 2008 incorporated by reference into this Prospectus will be available on the website of the Issuer under "www.erstegroup.com" and on the website of the Luxembourg Stock Exchange under "www.bourse.lu".

#### **SUPPLEMENT TO THE PROSPECTUS**

The Issuer has given an undertaking to the Dealer, and is obliged by the provisions of the Prospectus Directive and relevant implementing legislation in Luxembourg, that if at any time during the duration of the Programme there is a significant new factor, material mistake or inaccuracy relating to information contained in this Prospectus which is capable of affecting the assessment of any Notes and which arises or is noted between the time when the Prospectus is approved and the final closing of an offer of such Notes to the public or, as the case may be, the time when trading on a regulated market begins, the Issuer shall prepare a supplement to this Prospectus or publish a replacement Prospectus for use in connection with

any subsequent offering of the Notes and shall supply to each Dealer and to the CSSF and the stock exchange operating the Markets such number of copies of such supplement or replacement hereto as such Dealer may request and relevant applicable legislation require.

### **SOURCES OF INFORMATION**

Unless otherwise stated, statistical and other data provided in this Prospectus has been extracted from the audited consolidated financial statements of the Issuer for the financial year ended 31 December 2008 and the Annual Report thereon and the unaudited consolidated interim financial statements for the first quarter year ended 31 March 2009. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Furthermore, certain statistical and other data provided in this Prospectus has been extracted from reports and other documents of certain statistical offices and/or national banks in countries where the Issuer operates, namely the Czech Statistical Office, the Hungarian Statistical Office, the Romanian Statistical Office, the Serbian Statistical Office, the Statistical Office of the Ukraine, the Czech National Bank and the Austrian National Bank. The Issuer confirms that such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by the sources of such information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## SUMMARY OF THE PROGRAMME

*This summary must be read as an introduction to this Prospectus. Any decision to invest in any Notes should be based on consideration of this Prospectus as a whole, including the documents incorporated by reference, by any investor. Civil liability may attach to the Issuer in respect of this summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. Where a claim relating to information contained in this Prospectus is brought before a court in an EEA State, the plaintiff investor may, under the national legislation of the EEA State where the claim is brought, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.*

*Capitalised expressions used in this Summary have the meanings given in the Terms and Conditions of the Notes.*

### **The Notes**

#### **Denominations of Notes**

Notes will be issued in such denominations as may be agreed by the Issuer and the relevant Dealer(s) and specified in the relevant Final Terms, save that the minimum denomination of the Notes will be Euro 1,000 or, if any currency other than Euro, in an amount in such other currency equal to or exceeding the equivalent of Euro 1,000 at the time of the issue of the Notes.

#### **Maturities**

Subject to compliance with all relevant laws, regulations and directives, the Notes will have a minimum maturity of one month, except that Subordinated Capital Notes, Short-term Subordinated Capital Notes and Supplementary Capital Notes and Subordinated Supplementary Capital Notes will have minimum maturities of five, two and eight years, respectively. Tier 1 Notes are perpetual.

#### **Form of Notes**

The Notes may be Domestic Notes or International Notes, as specified in the relevant Final Terms. The International Notes may be NGNs (which may be intended to be eligible collateral for Eurosystem monetary policy, if so specified in the relevant Final Terms) or CGNs, as specified in the relevant Final Terms. Erste Group Bank will act as Arranger, Dealer and as Agent in respect of issues of Domestic Notes, which will be issued in the German or English language, governed by Austrian law and the global notes relating to such Domestic Notes will be deposited with or on behalf of OeKB (and if so deposited may be settled through Euroclear and Clearstream, Luxembourg) or with or on behalf of the Issuer or may be held by investors. If and to the extent Registered Notes are not securities within the meaning of Art 2 para 1 lit a of the Prospectus Directive, they are not subject to approval of the Prospectus by the CSSF.

#### **Issue Price**

Notes may be issued at their principal amount or at a discount or premium thereto.

#### **Single issues and tap issues**

Issues of Domestic Notes may be single issues (*Einzelemissionen*) where the Notes may be subscribed during a fixed subscription period, or tap issues (*Daueremissionen*), where Notes are available for subscription during substantially the whole (or part of the) term of the Notes at the discretion of the Issuer. The issue price for Notes issued in tap issues is determined in the Final Terms at the start of their term and thereafter is fixed by the Issuer continuously according to market conditions prevailing from time to time. In case of tap issues, the

aggregate principal amount of the outstanding Notes may increase from time to time upon subscriptions being made, and the Issuer will in such case specify on the Issue Date the upper limit of the aggregate principal amount of the Notes in the Final Terms.

### **Interest**

Fixed interest will be payable in arrear on the date or dates in each year specified in Part A of the relevant Final Terms, Floating Rate Notes will bear interest set separately for each Series as specified in Part A of the relevant Final Terms and Zero Coupon Notes may be issued at their principal amount or at a discount to it and will not bear interest.

### **Index-linked Notes, Equity-linked Notes, Fund-linked Notes, Commodity-linked Notes, Future-linked Notes**

Payments in respect of Index-linked Notes, Equity-linked Notes, Fund-linked Notes, Commodity-linked Notes, Future-linked Notes will be calculated by reference to such index, single equity security (or basket of equity securities), fund (or basket or portfolio thereof), or commodity or basket of commodities, future contract (or basket or portfolio thereof), currency exchange rate and/or formula as indicated in Part A of the relevant Final Terms.

### **Credit-linked Notes**

Credit-linked Notes may be issued relating to one or more reference entities (as specified in the relevant Final Terms). Holders of Credit-linked Notes are exposed to the credit risk of the Issuer and such reference entities.

### **Subordinated Notes**

Subordinated Notes may be issued in the form of Supplementary Capital, Subordinated Capital, Subordinated Supplementary Capital or Short-term Subordinated Capital in accordance with the requirements from time to time of the Austrian Banking Act 1993 as amended (*Bankwesengesetz*) (the "Austrian Banking Act").

### **Tier 1 Notes**

Tier 1 Notes may be issued in accordance with the requirements from time to time for hybrid Tier 1 Capital (*hybrides Kapital*) as set out in sec 24 of the Austrian Banking Act.

### ***Pfandbriefe* (Mortgage Bonds)**

*Pfandbriefe* (Mortgage Bonds) are Notes which are secured by a separated pool of cover assets mainly comprising first ranking mortgages over certain real estate. In case of the bankruptcy of the Issuer, the holders of *Pfandbriefe* (Mortgage Bonds) will have an immediate preferential right to be satisfied from the pool of cover assets, unless the pool of cover assets is transferred to another credit institution.

### ***Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds)**

*Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) are secured by a separated pool of cover assets mainly comprising loan claims against certain governmental entities of the Member States of the European Economic Area and Switzerland or claims benefiting from a guarantee granted by one of these entities. In case of the bankruptcy of the Issuer, the holders of *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) will have an immediate preferential right to be satisfied from the pool of cover assets unless the pool of cover assets is transferred to another credit institution.

## **Covered Bonds**

Covered Bonds are secured by a separated pool of cover assets which are designated to cover the Notes pursuant to the Austrian Law on Covered Bank Bonds (*Gesetz über fundierte Bankschuldverschreibungen*) and which mainly comprise claims and securities that are suitable for the investment of assets of minors, claims and securities secured by a mortgage registered in a public register, and claims against certain governmental entities, Member States of the European Economic Area or Switzerland, or claims benefiting from a guarantee granted by one of these entities. In case of the bankruptcy of the Issuer, the holders of Covered Bonds will have a preferential right to be satisfied from the pool of cover assets unless the pool of cover assets is transferred to another credit institution.

## **Reverse Convertible Notes**

Reverse Convertible Notes (convertible into shares, commodities, currencies or funds, or baskets thereof, whether listed or unlisted) may be issued under the Programme as Domestic Notes only, and will therefore be governed by Austrian law and issued either in the German or English language.

## **Other Notes**

Terms applicable to High Interest Notes, Low Interest Notes, Step-up Notes, Step-down Notes, Inverse/ Reverse Floating Rate Notes, Fixed to Floating Rate Notes, Structured Floating Rate Notes, Instalment Notes, Reverse Dual Currency Notes, Optional Dual Currency Notes, Partly-paid Notes and any other type of Note that is foreseen in this Prospectus and the Issuer and any Dealer may agree to issue under the Programme will be set out in the relevant Final Terms.

## **Redemption**

In the case of Notes other than Tier 1 Notes, the relevant Final Terms will indicate that the Notes: (i) cannot be redeemed prior to their stated maturity (except for taxation reasons, or, in case of senior Notes only, upon the occurrence of an event of default, or, in the case of *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) and Covered Bonds only, upon the occurrence of an event of default other than the institution of bankruptcy proceedings over the assets of the Issuer); or (ii) will be redeemable at the option of the Issuer and/or the holders of the Notes upon giving notice within the notice period indicated in the relevant Final Terms to the holders of the Notes or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as indicated in the applicable Final Terms.

In the case of Tier 1 Notes, the relevant Final Terms will indicate that the Tier 1 Notes (i) will not have a maturity date and will not be redeemable at any time at the option of Noteholders; (ii) will be redeemable at the option of the Issuer upon its giving notice within the notice period indicated in the relevant Final Terms to the holders of the Notes on or after a date or dates specified (but not earlier than five days after the issue date) and at a price or prices and on such terms as indicated in the applicable Final Terms. The Tier 1 Notes may be redeemed at any time by the Issuer for taxation reasons or if the ability of the Issuer under Austrian banking law to attribute Tier 1 Notes to Own Funds for Austrian capital adequacy purposes on a consolidated basis is changed to the detriment of the Issuer.

Investors should note that where the terms and conditions of the Notes provide for a right of early redemption by the Issuer only, Noteholders usually receive a higher yield on their Notes than they would if they were also granted a right to early redeem the Notes. Excluding the Noteholders' right to redeem Notes prior to their maturity is often a precondition for the Issuer being able to hedge its exposure under the Notes. Thus, without early redemption by Noteholders being excluded, the Issuer would not be able to issue Notes at all, or the Issuer would factor the potential hedging break costs into the redemption amount of the Notes, thus

reducing the yield investors receive from the Notes. Investors should therefore carefully consider whether they think that a right of early redemption only for the Issuer would be to their detriment, and should, if they think that this is the case, not invest in the Notes.

### **Negative Pledge, Events of Default and Cross Default**

The Notes will contain a negative pledge in respect of Senior Notes, events of default (save for Tier 1 Notes) and (save for *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds), Tier 1 Notes and Covered Bonds) cross-default provisions as set out in the Terms and Conditions of the Notes.

### **Listing and Admission to Trading**

Application may be made to the Vienna Stock Exchange and/or to the Luxembourg Stock Exchange for the Programme and/or Notes to be admitted to the Markets. Notes issued under the Programme may be admitted to trading on any other regulated or unregulated markets or stock exchanges.

### **Governing law**

International Notes shall be governed by English law or by Austrian law. Domestic Notes shall be governed by Austrian law. *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds) and Covered Bonds shall be always governed by Austrian law and the subordination provisions of Conditions 3(b) and 3(c) and the determination of Distributable Funds shall be governed by Austrian law.

### **Use of Proceeds**

The net proceeds from the issue of Notes will be used by Erste Group Bank for its general funding purposes and in the case of Subordinated Notes and Tier 1 Notes, to strengthen the capital base of the Issuer.

### **Risk Factors relating to the Notes**

*Each of the risks highlighted below could have a material adverse effect on the investors' position and on the amount of principal and interest which investors will receive in respect of the Notes. In addition, each of the risks highlighted below could adversely affect the trading price of the Notes or the rights of investors under the Notes and, as a result, investors could lose some or all of their investment. Prospective investors should note that the risks described below are not the only risks relating to the Notes. There may be additional risks and any of these risks could have an effect on the market price of the Notes held by Noteholders, or could cause amounts of interest and principal received on such Notes to be less than anticipated:*

#### **Credit risk**

Credit risk is the risk of partial or total failure of the Issuer to make interest and/or redemption payments that the Issuer is obliged to make under the Notes.

#### **Credit spread risk**

Investors in the Notes assume the risk that the credit spread (ie the premium payable by the Issuer to the holder of a Note as a premium for the assumed credit risk) of the Issuer changes.

**Inflation Risk**

Inflation risk is the risk of future money depreciation which reduces the real yield of an investment.

**Liquidity Risk**

There can be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. In an illiquid market, an investor may not be able to sell his Notes at fair market prices.

**Risk of Suspension, Interruption or Termination of Trading**

There is a risk that trading in the Notes or Underlyings of the Notes will be suspended, interrupted or terminated.

**Market Price Risk**

Noteholders may be exposed to market price risk in any sale of Notes. The historic price of a Note should not be taken as an indicator of future performance of such Note.

**Risk of Early Redemption**

In the event that any Notes are redeemed prior to their maturity pursuant to the Terms and Conditions thereof, a holder of such Notes may be exposed to risks, including the risk that his investment will have a lower than expected yield.

**Reinvestment Risk**

There is a risk that Noteholders may not be able to reinvest proceeds from the Notes in such a way that they earn the same rate of return.

**Currency Risk and Foreign Exchange Controls**

A holder of a Note denominated in a foreign currency or a Dual Currency Note may be exposed to adverse changes in currency exchange rates and/or the imposition of exchange controls which may affect the yield of such Notes.

**Fixed Rate Notes**

Holders of Fixed Rate Notes are exposed to the risk that the price of such Notes falls as a result of changes in the market interest rate.

**Floating Rate Notes and Index-linked Notes**

A holder of a Floating Rate Note or an Index-linked Interest Note is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Floating rate Notes may include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features. The market value of such structured floating rate Notes (including Inverse/Reverse Floating Rate Notes and Fixed to Floating Rate Notes) tends to be more volatile than the market value of conventional floating rate Notes. A holder of Index-linked Redemption Notes is also be exposed to uncertainty with respect to the redemption amount of such Notes, and may in some circumstances receive no principal at all. The yield of an Index-linked Note may be negative and an investor may lose the value of its entire investment or part of it.



## **Zero Coupon Notes**

Changes in market interest rates have a substantially stronger impact on the prices of Zero Coupon Notes than on the prices of ordinary notes.

## **Structured Notes**

An investment in Notes by which the premium and/or the interest on, or principal of which is determined by reference to one or more values of currencies, commodities, interest rates or other indices or formulae, either directly or inversely, may entail significant risks not associated with similar investments in a conventional debt security, including the risks that the resulting interest rate will be less than that payable on a conventional debt security at the same time and/or that an investor could lose all or a substantial portion of the principal of his Notes. In general, structured Notes provide a certain cash flow. The Final Terms set forth under which conditions, on which dates and in which amounts interest and/or redemption amounts are/is paid. In the event that the agreed conditions do not occur, the actual cash flows may differ from those expected.

## **Risks in Connection with Caps**

In case of a cap, a Noteholder will not be able to benefit from any actual favourable development beyond the cap.

## **Risk of Potential Conflicts of Interest**

Each of the Issuer, the Dealer(s) or any of their respective affiliates not only issue Notes but also have other business areas which independently do business with companies that might be part of the assets underlying Notes (e.g., an index, single shares or baskets). It cannot be ruled out that decisions made by those independent business areas may have a positive or a negative impact on the underlying value which could negatively affect the value of the respective Notes.

## **Equity-linked Notes, Fund-linked Notes and Notes linked to a Hedge Fund**

An investment in Equity-linked Interest or Equity-linked Redemption Notes and in Fund-linked Interest or Fund-linked Redemption Notes may bear similar risks to those associated with a direct investment in the equity (or basket of equity) or a direct investment in the fund (or basket of funds), respectively, underlying such Notes, and investors should take advice accordingly. In case of Equity-linked Redemption Notes and Fund-linked Redemption Notes, the investor may lose the value of its entire investment or part of it.

An investment in Notes which economically represent a hedge fund carries a high degree of risk. Hence only a small part of the disposable funds should be invested into such Notes and not all disposable funds or funds financed by credit should be invested into such Notes. An investment into such Notes will be offered to investors particularly knowledgeable in investment matters. Investors should participate in the investment only if they are in a position to consider carefully the risk associated with such Notes.

## **Credit-linked Notes**

A holder of Credit-linked Notes is exposed to the credit risk of the Issuer and that of one or more reference entities (as specified in the applicable Final Terms). There is no guarantee that the holders of such Notes will receive the full principal amount of such Notes and interest thereon and ultimately the obligations of the Issuer to pay principal under such Notes may even be reduced to zero.

## **Commodity-linked Notes and Future-linked Notes**

Payments in respect of Commodity-linked Notes and Future-linked Notes will be dependent upon the performance of the underlying commodity or future contract (or basket thereof). The performance of the underlying commodity may go down as well as up and there can be no assurance as to the future performance of the underlying commodity. Commodity-linked Notes involve complex risks, which include, among other things, commodity price risks, credit risk and/or political and general economic risks. Future contracts are volatile and risky instruments, and investors in Future-linked Notes are exposed to such volatility and risk, as in the case of a direct investment in such future contracts.

## **Subordinated Notes and Tier 1 Notes**

In the event of the liquidation or institution of bankruptcy proceedings over the assets of the Issuer, the Issuer's obligations in respect of Subordinated Notes and Tier 1 Notes will be unsecured and subordinated to the claims of certain other creditors (as specified in the Terms and Conditions of the Notes) of the Issuer, so that in any such event no amounts will be payable under such Notes until the claims of all such creditors of the Issuer will have been satisfied in full. In addition, claims of holders of Tier 1 Notes will be subordinated to claims of holders of Subordinated Notes, so that holders of Tier 1 Notes will only receive payment under the Tier 1 Notes if all claims of holders of Subordinated Notes have been met in full.

Tier 1 Notes are perpetual and holders should be aware that they may be required to bear the financial risks of an investment in the Tier 1 Notes for an indefinite period of time. Interest on the Tier 1 Notes is not cumulative and will be paid by the Issuer only out of Distributable Funds, to the extent available. Whether sufficient Distributable Funds are available remains in the discretion of the Issuer, as the Issuer may elect to allocate earnings to its reserves which will not qualify as Distributable Funds. Furthermore, even if sufficient Distributable Funds are available, the Issuer may - either pursuant to its Optional Non-Payment Right or because of other events described in the Conditions - decide not to make interest payments on Tier 1 Notes. This means that even where the Issuer has recorded net earnings or has available sufficient Distributable Funds, investors may not receive interest payment on their Tier 1 Notes.

## **Reverse Convertible Notes**

Reverse Convertible Notes expose the investor to fluctuations in the market prices of both the Notes and the underlying asset, as well as to all the associated risks of a direct investment in the underlying asset.

## **Instalment Notes**

Investors in Instalment Notes should be aware that they may be required to make further payments of principal after having acquired the Instalment Notes and that failure to pay any subsequent instalment could result in the investors losing all or part of their investment.

## **Rating of the Notes**

A rating of Notes may not adequately reflect all risks of the investment in such Notes and may be suspended, downgraded or withdrawn.

## **Integral multiples of less than €50,000**

In relation to any issue of Notes which have a denomination consisting of a minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of €50,000 (or its equivalent) that are not integral multiples of €50,000 (or its equivalent). In such a case, a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified

Denomination may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

#### **Purchase on credit – debt financing**

If a loan is used to finance the acquisition of the Notes by an investor and the Notes subsequently go into default, or if the trading price diminishes significantly, the investor may not only have to face a potential loss on its investment, but it will also have to repay the loan and pay interest thereon.

#### **Transaction costs/charges**

Incidental costs related in particular to the purchase and sale of the Notes may significantly or completely reduce the profit potential of the Notes.

#### **Clearing risk**

Investors have to rely on the functionality of the relevant clearing system.

#### **Taxation**

Prospective investors should contact their own tax advisors for advice on the tax impact of an investment in the Notes which might differ from the tax situation described for investors generally.

#### **Governing law and change of law or tax regime**

The terms and conditions of the Notes will be governed either by English or Austrian law, which may be different to the law of the investors' home jurisdiction. Changes in applicable laws, regulations, regulatory policies or in the relevant tax regime may have an adverse effect on the Issuer, the Notes and the investors.

#### **Legal investment considerations may restrict certain investments**

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities, which each investor should make sure compliance with.

#### **Erste Group Bank's Business**

Erste Group's ultimate parent company, Erste Group Bank AG ("Erste Group Bank"), is Austria's oldest savings bank. Erste Group is a leading retail banking group in its extended home market, which includes Austria and adjacent Central and Eastern Europe – mainly in the Czech Republic, Romania, the Slovak Republic, Hungary, Croatia, Serbia and the Ukraine. As of 31 December 2008, Erste Group had approximately 17.2 million customers. Erste Group also includes the Austrian savings banks that are required under IFRS to be consolidated into Erste Group's results as a result of their membership in the Haftungsverbund and in which Erste Group Bank holds either a minority interest or no equity stake at all.

Erste Group is one of the largest banking groups in Austria (by total assets, based on unaudited figures) with EUR 201.4 billion as of 31 December 2008 on the basis of the consolidation of the savings banks pursuant to the Haftungsverbund. Erste Group offers a full range of banking and financial services, including deposit taking, lending, mortgage lending, investment banking, securities trading and derivatives business (on its own account and for its customers), portfolio management, insurance brokerage, project finance, international trade

finance, corporate finance, capital and money market services, foreign exchange, leasing, factoring and bank assurance.

As of 31 December 2008, Erste Group operated some 3,200 branches and employed 52,648 people worldwide. Erste Group has a particular focus on its extended home market in Central and Eastern Europe and operates in the major financial centres of the world, such as New York, London and Hong Kong.

Erste Group Bank AG is registered as a stock corporation (*Aktiengesellschaft*) in the Austrian Companies Register (*Firmenbuch*) at the Vienna Commercial Court (*Handelsgericht Wien*).

The administrative, managing and supervisory bodies of Erste Group Bank currently consist of six members of the Managing Board (as defined below), and eighteen members of the Supervisory Board (as defined below), including six representatives of the staff council. The six representatives of the Austrian Financial Markets Authority (the Austrian banking supervisory authority; "**FMA**") include the Government Commissioner for Covered Bonds, and the trustees for *Pfandbriefe* (Mortgage Bonds) and *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds) pursuant to the Mortgage Bank Act (*Hypothekendarbankgesetz*).

### Share Capital

By the end of June 2009, Erste Group Bank's share capital amounted to EUR 635,850,172 divided into 317,925,086 shares.

Erste Group Bank's shares are listed and officially traded on the Vienna Stock Exchange (*Amtlicher Handel*), on the Prague Stock Exchange, and on the Bucharest Stock Exchange.

As of 30 June 2009, the major shareholders of Erste Group Bank were DIE ERSTE österreichische Spar-Casse Privatstiftung (31.0%), Criteria CaixaCorp, S.A. (5.1%) and Austria Versicherungsverein auf Gegenseitigkeit (5.0%). The balance held by the public as of 30 June 2009 was 58.9% (of which all Savings Banks in aggregate held 9.3% and Erste Group's employees held 3.9%).

### Financial Information

The financial information below is extracted from the audited consolidated annual financial statements of Erste Group Bank (then Erste Bank der oesterreichischen Sparkassen AG) for the years ended 31 December 2008 and 2007.

	<u>2008</u>	<u>2007</u>
	<b>€ billion (rounded)</b>	
Total assets	201.4	200.5
Net interest income	4.9	3.9
Pre-tax profit for the year	0.6	1.9
Profit for the year after taxes	1.0	1.5
Net profit after minority interests	0.9	1.2

### Risk Factors relating to the Issuer

*The Issuer may be subject in particular to the following risks, which should be carefully considered together with the other information contained in this Prospectus, prior to any investment decision. Prospective investors should note that the risks described below are not*

*the only risks the Issuer faces. The Issuer has described only those risks relating to its business, operations, financial condition or prospects that it considers to be material and of which it is currently aware. There may be additional risks that the Issuer currently considers not to be material or of which it is not currently aware, and any of these risks could have an effect on its financial position and results of operations.*

- The global financial and economic crisis has materially adversely affected Erste Group and its markets and is likely to continue or worsen.
- Market risks could impair the value of the Issuer's assets and adversely impact its financial position and results of operations.
- The Issuer and the members of the Erste Group have significant counterparty and credit risk exposure. The development of the Issuer's and the Erste Group's operating performance, loan loss levels or writedowns and impairments could adversely affect its results.
- Interest rate volatility may adversely affect the Issuer's and the Erste Group's results of operations.
- Since a large part of the Issuer's and the Erste Group's operations, assets and customers are located in Central and Eastern European countries that are not part of the Euro-zone, the Issuer is exposed to currency risks.
- The Issuer and the members of the Erste Group are subject to liquidity risk.
- The Issuer's subsidiaries in Central and Eastern Europe are subject to increased political and economical risk associated with these countries.
- It may be difficult to make further acquisitions and/or to identify new suitable acquisition targets. Future acquisitions may contain hidden liabilities and may prove to be difficult to integrate into the Erste Group.
- Changes in existing, or new, government laws or regulations in the countries in which the Erste Group operates may have a material impact on its results of operations.
- The Erste Group is exposed to a number of operational risks, in particular the failure or malfunctioning of its IT systems.
- Competition is high in the countries where the Erste Group operates and may grow significantly in the future.
- There is a risk that a rating agency may suspend, downgrade or withdraw a rating of the Issuer and that such action might negatively affect the market value and trading price of the Notes.

For further details on risk factors, please see page 22.

## RISK FACTORS

*Prospective investors should consider carefully the risks set forth below and the other information contained in this Prospectus prior to making any investment decision with respect to the Notes. Each of the risks highlighted below could have a material adverse effect on the Issuer's business, operations, financial condition or prospects which, in turn, could have a material adverse effect on the amount of principal and interest which investors will receive in respect of the Notes. In addition, each of the risks highlighted below could adversely affect the trading price of the Notes or the rights of investors under the Notes and, as a result, investors could lose some or all of their investment.*

*Prospective investors should note that the risks described below are not the only risks the Issuer faces. The Issuer has described only those risks relating to its business, operations, financial condition or prospects that it considers to be material and of which it is currently aware. There may be additional risks that the Issuer currently considers not to be material or of which it is not currently aware, and any of these risks could have the effects set forth above.*

### **Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme:**

#### **The global financial and economic crisis has materially adversely affected Erste Group and its markets and is likely to continue or worsen**

Extreme volatility and disruption in global capital and credit markets since mid-2007 has had a material adverse effect on the international banking sector's performance in recent periods. This extreme volatility and disruption, which began in the United States, has now affected financial markets around the world, leading to unprecedented reduced liquidity and increased credit risk premiums for many market participants. These conditions have significantly reduced the availability of private financing for both financial institutions and their customers, compelling many financial institutions and industrial companies to turn to governments and central banks for funds needed to provide liquidity. Significant write-downs of asset values by financial institutions of mortgage-backed securities and other financial instruments, including credit default swaps and other derivative and cash securities worldwide, have led many financial institutions to seek additional capital, to merge or be merged with larger and stronger institutions, to be nationalised and, in some cases, to fail. Despite financial support from governmental bodies and private funding sources, liquidity problems remain and the capital and credit markets remain highly volatile.

This financial market turmoil and tightening of credit have led to an increased level of loan delinquencies, lack of business and consumer confidence and widespread reduction of business activity in many countries all over the world. The conditions resulting from this downturn have increased economic pressure on consumers and manufacturers, leading to a further downturn in consumer spending, suspended business investment and widespread unemployment, thereby deepening the recessionary conditions.

The continuing lack of confidence in the international financial markets and worsening economic conditions have begun to adversely affect Erste Group's business and results of operations and may in the future adversely affect its financial condition. Erste Group does not expect that the difficult conditions in the international financial markets and economic conditions in the countries where Erste Group has operations will improve significantly in the near future, and they may in fact worsen. A worsening of these conditions would likely increase the adverse effects of these difficult market and economic conditions on Erste Group.

If current levels of market disruption, volatility and economic downturn continue or worsen, there can be no assurance that Erste Group will not experience an adverse effect, which may be material, on its ability to access capital and on its business, financial condition and results

of operations. This could affect the Issuer's ability to service payments under Notes issued under the Programme and potentially adversely affect the market value of such Notes.

**Market risks could impair the value of the Issuer's assets and adversely impact its financial position and results of operations (Market Risk)**

Fluctuations in the debt and equity markets may affect the market value and liquidity of Erste Group Bank's and the Erste Group's assets. The value of the Issuer's and the Erste Group's real estate holdings is also exposed to changes in real estate market prices. The occurrence of such events may also have an adverse impact on the revenues generated from the investment banking operations of the Issuer and could result in an adverse impact on its financial condition and results of operations, and thus its ability to service its payment obligations under the Notes.

**The Issuer and the members of the Erste Group have significant counterparty and credit risk exposure. The development of the Issuer's and the Erste Group's operating performance, loan loss levels or writedowns and impairments could adversely affect its results (Credit Risk)**

The Issuer and the Erste Group are exposed to a variety of counterparty and credit risks. Third parties that owe the Issuer or members of the Erste Group money, securities or other assets may not pay or perform under their obligations due to bankruptcy, lack of liquidity, downturns in the economy or real estate values, operational failure or other reasons.

The development of the Issuer's and the Erste Group's operating performance, loan loss levels or write-downs and impairments could adversely affect their results and may result in capital requirements that could constrain their operations, reducing the Issuer's ability to service payments under the Notes and potentially adversely affecting the trading price of the Notes.

**Interest rate volatility may adversely affect the Issuer's and the Erste Group's results of operations**

Changes in prevailing interest rates (including changes in the difference between the levels of prevailing short- and long-term rates) may adversely affect the Issuer's and the Erste Group's results of operations and costs of funding.

**Since a large part of the Issuer's and the Erste Group's operations, assets and customers are located in Central and Eastern European countries that are not part of the Euro-zone, the Issuer is exposed to currency risks**

A large part of the Issuer's and the Erste Group's operations, assets and customers are located in Central and Eastern European countries that are not part of the Euro-zone (as defined herein), and financial transactions in currencies other than the euro give rise to foreign currency risks, leading to a material adverse effect on the Issuer's and the Erste Group's business, operations, financial condition or prospects which, in turn, could have a material adverse effect on the amount of principal and interest which investors will receive in respect of the Notes.

**The Issuer and the members of the Erste Group are subject to liquidity risk**

The Issuer and the members of the Erste Group are exposed to liquidity risks which could materialise in the event that their obligations are not matched to their assets. Failure to manage such risks may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme.

**The Issuer's subsidiaries in Central and Eastern Europe are subject to increased political and economical risk associated with these countries.**

The Issuer has subsidiaries in some countries in Central and Eastern Europe and a large part of its income is derived from operations in these countries. As a result, the Erste Group's operations are exposed to risks common to all regions undergoing rapid political, economic and social change, including currency fluctuations, exchange control restrictions, an evolving regulatory environment, inflation, economic recession, local market disruption and labour unrest. The occurrence of one or more of these events may also affect the ability of the Issuer's clients or counterparties located in the affected country or region to obtain foreign exchange or credit and, therefore, to satisfy their obligations towards the Issuer. These risks could have an adverse effect on the Erste Group's operations.

The following paragraphs contain brief descriptions of several material risks the Erste Group is exposed to in certain important geographical markets, all of which could, if any of them materialises, have a material adverse impact on the Erste Group's operations or financial or trading positions:

***Croatia***

Erste Group's operations in Croatia posted an IFRS pre-tax profit of EUR 128.7 million in 2008 (Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008).

Croatia is expected to face macroeconomic challenges in 2009. Due to its current account imbalances (EUR 3.0 to 3.5 billion) and refinancing needs (EUR 8.2 billion total refinancing needs in 2009), the country remains dependent on foreign currency inflows to maintain mid-term macroeconomic stability. Croatia is therefore exposed to deterioration in global risk appetite. With an official deficit goal of 0.9% of GDP in 2009, the government's fiscal policy is expected to be very conservative. A considerably higher deficit might necessitate IMF support. The Ministry of Finance recently agreed on a EUR 750 million credit line with local banks which, together with a rescheduling of approximately another EUR 300 million at the beginning of 2009 should meet a significant portion of the state's medium-term financing needs. Also the Ministry of Finance has raised additional funds through a Eurobond issue in the second quarter of 2009.

***Czech Republic***

Erste Group's operations in the Czech Republic posted an IFRS pre-tax profit of EUR 439.9 million in 2008 (Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008).

In 2009 the Czech economy may face a moderate economic slowdown, with negative GDP growth, reduced manufacturing output, stagnation in household consumption and in retail turnover and a volatile Czech currency (due in part to contagion from other CEE currencies). The Czech National Bank is expected to take movements of the exchange rate in to account when deciding on interest rates and might counteract any extreme movements. The export-driven Czech economy is suffering from a significant decrease in demand worldwide (particularly from Western Europe) for automobiles and other manufactured goods, which should lead to a significant increase in the unemployment rate (expected by the Czech National Bank to reach 7.7% by the end of 2009).

***Hungary***

Erste Group's operations in Hungary posted an IFRS pre-tax profit of EUR 147.4 million in 2008 (Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008).



The macroeconomic outlook for Hungary in 2009 is challenging. The country saw its current account deficit swell again in 2008, making it highly reliant on external financing. In October 2008, the IMF and the World Bank approved a stand-by loan of EUR 20 billion. Exports, the remaining area of growth after the government implemented an austerity programme in 2006, have been hit hard by the global economic downturn. Private consumption and capital investments are expected to drop in 2009. Unemployment may increase by 2% or more compared to 2008. Due in part to Hungary's large external debt, the HUF has fallen sharply but has recovered part of its losses during the second quarter 2009. With a large percentage of domestic loans denominated in foreign currencies (principally EUR and CHF), further HUF devaluation would have a direct negative impact on loan portfolios in both the retail and corporate segments. Moreover, HUF devaluation would likely slow the progress of cuts in the base rate planned by the Hungarian National Bank from the current 9.5% to 7% by the end of 2009. Announced changes to the tax system, aimed at supporting the labour market and expected to be introduced in 2009-2010, would reduce the personal income tax and social security burden of both companies and employees. A resulting shortfall in state budget revenues might be offset by increasing the VAT base rate from the current 20% to 23% starting in July 2009. A new government has been appointed. Parliamentary elections are scheduled for April 2010.

### ***Romania***

Erste Group Bank's Romanian subsidiary BCR posted an IFRS pre-tax profit of EUR 439.8 million in 2008 (Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008).

The household consumption and foreign direct investment and domestic capital investment that drove Romania's GDP growth in 2008 are likely to decline significantly in 2009. Industrial production is expected to decrease due principally to a decline in foreign orders. The Romanian currency began to depreciate against the EUR in the fourth quarter 2008 and hit an all-time low in January 2009 but has stabilized since then. The reduction in domestic demand should dampen inflation, though this could be counterbalanced by inflationary pressures from the depreciation of the RON and wage and pension increases negotiated in 2008. Unemployment rose in the fourth quarter of 2008 and is expected to continue to rise in 2009, with automotive, metallurgy and textile industries hit the hardest. Downward pressure on wages might also be fuelled by Romanian migrant workers returning from Western Europe. Romania faces a particular challenge in reducing its current account deficit. Though, so far some progress has been made in this respect as domestic demand has reduced the flow of imported goods to an even stronger degree than exports were affected by the global economic downturn. The Romanian government has recently reached an agreement with the IMF, the EU, the EBRD and EIB over a EUR 20bn financing facility.

### ***Serbia***

Erste Group's operations in Serbia posted an IFRS pre-tax profit of EUR 5.9 million in 2008 (Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008).

Serbia's main Euro-area export markets are in recession in 2009 and demand and prices for Serbia's key export products – base metals, iron and steel - are shrinking. This slowdown in foreign demand has significantly reduced prospects for economic growth. A decline in domestic demand is also expected. Negative consumer sentiment is weighed down by limited access to credit due to increased risk aversion in the financial sector and a possible reduction in remittances from Serbs working abroad. Due to its high current account deficit, Serbia faces restrictive global financing conditions and has reached an agreement with the IMF regarding a financing facility. Inflation is expected to remain high, driven by the weakened Serbian currency and high growth in regulated prices. Lower inflows of foreign exchange could lead to further depreciation of the RSD, which in turn would affect the ability of banking clients, mostly households, to repay loans (which are not hedged against currency risk). The

government is targeting a budget deficit of 3.0% of GDP in 2009, in agreement with the IMF. Currently the terms are being renegotiated and a new deficit goal of around 4% of the GDP seems possible. The government has recently reached an agreement with the IMF on a EUR 3bn credit facility.

The political risk in Serbia remains quite high, though the tensions that followed Kosovo's declaration of independence have subsided to some extent. The election of a pro-EU government in 2008 and the post-election break-up of the nationalist radical party have also reduced political risk to some extent.

### ***Slovak Republic***

Erste Group's operations in the Slovak Republic posted an IFRS pre-tax profit of EUR 100.4 million in 2008 (source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008).

The Slovak economy has been a strong performer for the past decade and has confronted the world economic slowdown from a position of relative strength. However, a dependence on goods manufactured for export, in particular automobiles, leaves the Slovak economy exposed to a deep or lengthy slowdown of demand in its export markets, in particular in Western Europe. Industrial output and exports have already begun to decline, curbing wage growth and boosting unemployment rates. The Slovak Republic entered the Euro-zone in January 2009, and further depreciations of the currencies of other countries in the CEE region could adversely affect the competitive edge of Slovak exporters.

### ***Ukraine***

Erste Group's operations in Ukraine posted an IFRS pre-tax loss of EUR 33.4 million in 2008 (Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008).

The global financial crisis and Ukraine's continuing unstable political environment have dramatically worsened the economic situation in Ukraine. The country entered a recession in 2008 as external demand for its metal products declined strongly. Due to a liquidity crisis on external and internal markets, an outflow of investment, a non-transparent intervention policy and a mounting trade deficit, the Ukrainian Hryvnya has devalued vis-à-vis the Euro by almost 40% since March 2008. In November 2008, the Ukraine received the first USD 4.5 billion tranche of an IMF USD 16.4 billion two-year stand-by loan aimed at stabilising Ukraine's economy. The strong UAH devaluation and reduced income of borrowers have caused delays in credit repayments, a tendency that such repayment delays are currently increasing. Before the crisis hit, around 55% of total lending, and 70% of retail lending, in Ukraine was denominated in USD. The banking sector has entered into a period of cost-cutting and revision of strategic plans and is heading towards more challenging times. Following a banks run in October 2008, the Ukrainian National Bank has issued a decree which intended to stabilize the banking system by temporarily freezing the growth of banks' assets, prohibiting loans to borrowers that do not have revenues in foreign currency and prohibiting early withdrawals of deposits. A further significant devaluation of domestic currency the UAH would magnify the already high inflationary pressure and could lead to unmanageable significant debt service problems by in the private sector. The government is experiencing difficulties funding the income side of the state budget in 2009. A budget deficit of 4% (excluding banking recapitalisation costs) has been agreed with the IMF, which is believed to be vital in fighting a possible country sovereign default. Renegotiations between the Ukrainian government and the IMF were successfully completed in April 2009.

### ***CEE banking market***

The major risk for banking markets in the CEE region is the drying up of capital inflows from Western Europe. Those CEE countries that are struggling with large external imbalances

depend on these inflows to finance their current account deficits or their debt repayments. In these countries, the unavailability of external funding sources could directly affect local lending activity. Even those CEE countries that do not have large account imbalances depend on their foreign export markets. As exports have fallen significantly, the real economies of these countries suffer significant slowdowns. Negative domestic sentiment and more restrictive lending policies tend to reduce investment activity and consumption. In addition, in some countries significant local currency devaluations have made it harder for borrowers to repay loans denominated in foreign currencies. At the same time, it is difficult to lower interest rates on loans in the local currency due to poor debt refinancing capacity and depreciating local currencies.

**It may be difficult for the Issuer to make further acquisitions and/or to identify new suitable acquisition targets, and future acquisitions may contain hidden liabilities and may prove to be difficult to integrate into the Erste Group**

As part of its strategy in Central and Eastern Europe, the Issuer may decide to make additional acquisitions to complement the growth of the Erste Group. Apart from antitrust or similar laws, which may make it difficult to make such acquisitions, any acquired business may contain unknown actual or potential liabilities and the ability of the Issuer to successfully grow through selected acquisitions will depend on, among other things, the Issuer's ability to identify suitable acquisition or investment opportunities and successfully to close those transactions. However, the Issuer may not be able to continue to grow at the same pace as in the past. Furthermore, the integration of acquisitions may be difficult and the Issuer may not be able to achieve anticipated synergies or other expected benefits. Such failure could adversely affect the Issuer's results of operations.

**Changes in existing, or new, government laws or regulations in the countries in which the Erste Group operates may have a material impact on its results of operations**

Changes in existing, or new, government laws or regulations in the countries in which the Erste Group operates may materially impact the Erste Group, including regulations relating to financial services, securities products and other transactions the Issuer is conducting.

Furthermore, apart from changes to the economic environment, the introduction of new regulations, such as the introduction of a new framework for capital adequacy rules commonly known as Basel II or changes in accounting matters and/or their application, may adversely affect the Issuer's business as its implementation and compliance may result in costs that currently cannot be definitively determined.

Changes in laws, regulations or regulatory policies in the markets within which it operates may have an adverse effect on the Erste Group's financial conditions and results of operations.

**The Erste Group is exposed to a number of operational risks, in particular the failure or malfunctioning of its IT systems**

Banks and their activities are increasingly dependent on highly sophisticated information technology ("IT") systems. IT systems are vulnerable to a number of problems, such as computer virus infection, malicious hacking, physical damage to vital IT centres and software or hardware malfunctions. Additionally, further operational risks may stem from inadequate or failed internal processes, people and systems or from external events. Failure to manage such risks may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme.

**Competition is high in the countries where the Erste Group operates and may grow significantly in the future.**

International banks such as the Issuer are subject to intense competition, which is expected to grow further in the future. Apart from local competitors, other international banks may enter the banking market in Austria and Central and Eastern Europe, thus increasing the pressure on the Issuer's profit margins.

**There is a risk that a rating agency may suspend, downgrade or withdraw a rating of the Issuer and that such action might negatively affect the market value and trading price of the Notes**

A rating is the opinion of a rating agency on the credit standing of an issuer, i.e., a forecast or an indicator of a possible credit loss due to insolvency, delay in payment or incomplete payment to the investors. It is not a recommendation to buy, sell or hold securities. The rating agency may in particular suspend, downgrade or withdraw a rating. Such suspension, downgrading or withdrawal may have an adverse effect on the market value and trading price of the Notes. A downgrading of the rating may also lead to a restriction of the access to funds and, consequently, to higher refinancing costs.

**Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme:**

**Noteholders are exposed to the risk of partial or total failure of the Issuer to make interest and/or redemption payments under the Notes (Credit Risk)**

Investors are subject to the risk of a partial or total failure of the Issuer to make interest and/or redemption payments that the Issuer is obliged to make under the Notes. The worse the creditworthiness of the Issuer, the higher the risk of loss (see also "Risk Factors relating to the Issuer" above). A materialisation of the credit risk may result in partial or total failure of the Issuer to make interest and/or redemption payments.

**Investors in the Notes assume the risk that the credit spread of the Issuer changes (Credit Spread Risk)**

A credit spread is the margin payable by the Issuer to the holder of a Note as a premium for the assumed credit risk. Credit spreads are offered and sold as premiums on current risk-free interest rates or as discounts on the price.

Factors influencing the credit spread include, among other things, the creditworthiness and rating of the Issuer, probability of default, recovery rate, remaining term to maturity of the Note and obligations under any collateralisation or guarantee and declarations as to any preferred payment or subordination. The liquidity situation, the general level of interest rates, overall economic developments, and the currency, in which the relevant obligation is denominated may also have a positive or negative effect.

Investors are exposed to the risk that the credit spread of the Issuer widens resulting in a decrease in the price of the Notes.

**Due to future money depreciation (inflation), the real yield of an investment may be reduced**

Inflation risk describes the possibility that the value of assets such as the Notes or income therefrom will decrease as inflation shrinks the purchasing power of a currency. Inflation causes the rate of return to decrease in value. If the inflation rate exceeds the interest paid on any Notes the yield on such Notes will become negative.

**There can be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. In an illiquid market, an investor may not be able to sell his Notes at fair market prices (Liquidity Risk)**

Application has been made to admit the Programme to the Markets, each of which appears on the list of regulated markets issued by the European Commission. In addition, the Programme provides that Notes may be listed on an alternative market or stock exchange or may not be listed at all.

Regardless of whether the Notes are listed or not, there can be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. The fact that the Notes may be listed does not necessarily lead to greater liquidity as compared to unlisted Notes. If the Notes are not listed on any stock exchange, pricing information for such Notes may, however, be more difficult to obtain, which may adversely affect the liquidity of the Notes. In an illiquid market, an investor might not be able to sell its Notes at any time at fair market prices or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes. The possibility to sell the Notes might additionally be restricted by country-specific reasons.

**There is a risk that trading in the Notes or Underlyings will be suspended, interrupted or terminated**

If the Notes are listed on one (or more) markets (which may be regulated or unregulated), the listing of such Notes may – depending on the rules applicable to such stock exchange - be suspended or interrupted by the respective stock exchange or a competent regulatory authority upon the occurrence of a number of reasons, including violation of price limits, breach of statutory provisions, occurrence of operational problems of the stock exchange or generally if deemed required in order to secure a functioning market or to safeguard the interests of investors. Furthermore, trading in the Notes may be terminated, either upon decision of the stock exchange, a regulatory authority or upon application by the Issuer. Where trading in an Underlying of the Notes is suspended, interrupted or terminated, trading in the respective Notes will usually also be suspended, interrupted or terminated and existing orders for the sale or purchase of such Notes will usually be cancelled. Investors should note that the Issuer has no influence on trading suspension or interruptions (other than where trading in the Notes is terminated upon the Issuer's decision) and that investors in any event must bear the risks connected therewith. In particular, investors may not be able to sell their Notes where trading is suspended, interrupted or terminated, and the stock exchange quotations of such Notes may not adequately reflect the price of such Notes. Furthermore, a trading suspension, interruption or termination of Underlyings of the Notes may cause a suspension, interruption or termination of trading in the Notes and may as well result in an artificial or wrong valuation of the Notes. Finally, even if trading in Notes or Underlyings is suspended, interrupted or terminated, investors should note that such measures may neither be sufficient nor adequate nor in time to prevent price disruptions or to safeguard the investors' interests; for example, where trading in Notes is suspended after price-sensitive information relating to such Notes has been published, the price of such Notes may already have been adversely affected. All these risks would, if they materialise, have a material adverse effect on the investors.

**Noteholders may be exposed to market price risk in any sale of Notes (Market Price Risk)**

The development of market prices of the Notes depends on various factors, such as changes of market interest rate levels, the policies of central banks, overall economic developments,

inflation rates or the lack of or excess demand for the relevant type of Note. The holder of Notes is therefore exposed to the risk of an unfavourable development of market prices of its Notes which materialises if the holder sells the Notes prior to the final maturity of such Notes. If the holder decides to hold the Notes until final maturity the Notes will be redeemed at the amount set out in the relevant Final Terms.

Certain Notes may contain, or be combined with, an option, the price of which may be subject to change and may thus influence the market price of such Notes. The option price (the option premium) is primarily affected by the difference between the price of the underlying asset and the strike price, the time remaining for the option to be exercised, and the volatility of the underlying asset. Affecting the option price to a lesser degree are factors such as interest rates, market conditions, and the dividend rate of the underlying asset. Changes in the price and volatility of the underlying asset strongly influence the option price. The value of an option tends to decrease as its expiration date approaches and the option becomes worthless after that date. The holder of such Notes is therefore exposed to the risk of an unfavourable development of the price of the option contained in, or combined with, such Notes.

**In the event that any Notes are redeemed prior to their maturity, a holder of such Notes may be exposed to risks, including the risk that his investment will have a lower than expected yield (Risk of Early Redemption)**

The applicable Final Terms will indicate whether an Issuer may have the right to call the Notes prior to maturity (an optional call right) if any or whether the Notes will be subject to early redemption upon the occurrence of an event specified in the applicable Final Terms (an early redemption event). The Issuer will always have the right to redeem the Notes if the Issuer is required to make additional (gross-up) payments for reasons of taxation. The Issuer also has the right to redeem the Tier 1 Notes if ability of the Issuer under Austrian banking law to attribute Tier 1 Notes to Own Funds for Austrian capital adequacy purposes on a consolidated basis is changed to the detriment of the Issuer or Interest Payments on such Tier 1 Notes cease to be fully deductible as expenses for the purposes of applicable income tax law. If the Issuer redeems the Notes prior to maturity or the Notes are subject to early redemption due to an early redemption event, a holder of such Notes is exposed to the risk that, due to early redemption, its investment will have a lower than expected yield. The Issuer might exercise its optional call right if the yield on comparable Notes in the capital markets falls, which means that the investor may only be able to reinvest the redemption proceeds in Notes with a lower yield.

Investors should note that where the terms and conditions of the Notes provide for a right of early redemption by the Issuer only, Noteholders usually receive a higher yield on their Notes than they would if they were also granted a right to early redeem the Notes. Excluding the Noteholders' right to redeem Notes prior to their maturity is often a precondition for the Issuer being able to hedge its exposure under the Notes. Thus, without early redemption by Noteholders being excluded, the Issuer would not be able to issue Notes at all, or the Issuer would factor the potential hedging break costs into the redemption amount of the Notes, thus reducing the yield investors receive from the Notes. Investors should therefore carefully consider whether they think that a right of early redemption only for the Issuer would be to their detriment, and should, if they think that this is the case, not invest in the Notes.

**There is a risk that Noteholders may not be able to reinvest proceeds from the Notes in such a way that they earn the same rate of return (Reinvestment Risk)**

Noteholders may be subject to the risk that interest or dividends earned from an investment in the Notes may not in the event of an early redemption of any Notes be able to be reinvested in such a way that they earn the same rate of return as the redeemed Notes.

**A holder of Notes denominated in a foreign currency or a Dual Currency Note may be exposed to adverse changes in currency exchange rates which may affect the yield of such Notes (Currency Risk/Dual Currency Notes)**

A holder of Notes denominated in a foreign currency and a holder of Dual Currency Notes is exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes. Changes in currency exchange rates result from various factors such as macro-economic factors, speculative transactions and interventions by central banks and governments. A change in the value of any foreign currency against the euro, for example, will result in a corresponding change in the euro value of Notes denominated in a currency other than euro and a corresponding change in the euro value of interest and principal payments made in a currency other than in euro in accordance with the terms of such Notes. If the underlying exchange rate falls and the value of the euro correspondingly rises, the price of the Notes and the value of interest and principal payments made thereunder expressed in euro falls.

Furthermore, there is a risk that authorities with jurisdiction over the currency in which an investor's financial activities are denominated principally, may impose or modify exchange controls. Such exchange controls could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

**Holders of Fixed Rate Notes are exposed to the risk that the price of such Notes falls as a result of changes in the market interest rate**

A holder of Fixed Rate Notes is exposed to the risk that the price of such Notes falls as a result of changes in the market interest rate. While the nominal interest rate of Fixed Rate Notes as specified in the applicable Final Terms is fixed during the life of such Notes, the current interest rate on the capital market for issues of the same maturity (the "market interest rate") typically changes on a daily basis. As the market interest rate changes, the price of Fixed Rate Notes also changes, but in the opposite direction. If the market interest rate increases, the price of Fixed Rate Notes typically falls, until the yield of such Notes is approximately equal to the market interest rate. If the market interest rate falls, the price of Fixed Rate Notes typically increases, until the yield of such Notes is approximately equal to the market interest rate. If the holder of Fixed Rate Notes holds such Notes until maturity, changes in the market interest rate are without relevance to such holder as the Notes will be redeemed at a specified redemption amount, usually the principal amount of such Notes. The same risk applies to Step-Up Notes and Step-Down Notes if the market interest rates in respect of comparable Notes are higher than the rates applicable to such Notes.

**Holders of Floating Rate Notes may be exposed to the risk of fluctuating interest rate levels and uncertain interest income**

Floating Rate Notes tend to be volatile investments. A holder of Floating Rate Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of Floating Rate Notes in advance. If Floating Rate Notes are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, the market value may be more volatile than those for Floating Rate Notes that do not include these features. If the amount of interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the interest rates on interest payable will be increased. The effect of a cap is that the amount of interest will never rise above and beyond the predetermined cap, so that the holder will not be able to benefit from any actual favourable development beyond the cap. The yield could therefore be considerably lower than that of similar Floating Rate Notes without a cap.

**The market value of Inverse/Reverse Floating Rate Notes is more volatile than the market value of other more conventional floating rate notes based on the same reference rate**

Inverse Floating Rate Notes (also called Reverse Floating Rate Notes) have an interest rate which is determined as the difference between a fixed interest rate and a floating rate reference rate such as the Euro Inter-bank Offered Rate ("EURIBOR") or the London Inter-bank Offered Rate ("LIBOR") which means that interest income on such Notes falls if the reference interest rate increases. Typically, the market value of Inverse Floating Rate Notes is more volatile than the market value of other more conventional floating rate notes based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest payable on the Notes, but may also reflect an increase in prevailing interest rates, which may further adversely affect the market value of such Notes.

**Fixed to Floating Rate Notes bear specific risks**

Fixed to Floating Rate Notes bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes 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 Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes relating to the same reference rate. In addition, the new floating rate at any time may be lower than the interest rates payable on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than the then prevailing interest rates payable on its Notes.

**Changes in market interest rates have a substantially stronger impact on the prices of Zero Coupon Notes than on the prices of ordinary notes**

Zero Coupon Notes do not pay current interest but are issued at a discount from their nominal value. 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 holder of Zero Coupon Notes is exposed to the risk that the price of such Notes falls as a result of changes in the market interest rate. Prices of Zero Coupon Notes are more volatile than prices of Fixed Rate Notes and are likely to respond to a greater degree to market interest rate changes than interest bearing notes with a similar maturity.

**Holders of Index-linked Interest Notes and Holders of Index-linked Redemption Notes are exposed to the risk of fluctuating interest rate and/or principal levels and may in certain circumstances receive no interest and/or repayment at all**

Index-linked Notes may either be issued as Index-linked Interest Notes where payments of interest will be made by reference to a single index or other factors (including changes in the price of securities and commodities or movements in exchange rates) and/or such formula as may be specified by the Issuer and the relevant Dealer(s) (as indicated in the applicable Final Terms) or as Index-linked Redemption Notes where payment of principal will be calculated by reference to a single index or other factors (including changes in the price of securities and commodities or movements in exchange rates) and/or such formula as may be specified by the Issuer and the relevant Dealer(s) (as indicated in the applicable Final Terms) or may be issued as a combination of Index-linked Interest Notes and Index-linked Redemption Notes.

If payment of interest is linked to a particular index, a holder of Index-linked Interest Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income or may even receive no interest at all which may have the effect that the yield of an Index-linked Interest Note is negative. If payment of principal is linked to a particular index, a holder of Index-linked Redemption Notes is exposed to the risk that the repayment amount is uncertain.



Depending on the calculation of the repayment amount, the yield of an Index-linked Redemption Note may be negative and an investor may lose the value of its entire investment or parts of it. The more volatile the relevant index, the greater is the uncertainty in respect of interest income and repayment amount. Uncertainty with respect to interest and repayment amount make it impossible to determine the yield of Index-linked Notes in advance.

### **Structured Notes bear special risk**

In general, an investment in Notes by which the premium and/or the interest on and/or principal of which is determined by reference to one or more values of currencies, commodities, interest rates or other indices or formulae, either directly or inversely, may entail significant risks not associated with similar investments in a conventional debt security. Such risks include the risks that the holder of such Notes will receive no interest at all, or that the resulting interest rate will be less than that payable on a conventional debt security at the same time and/or that the holder of such Notes could lose all or a substantial portion of the principal of its Notes. In addition, investors should be aware that the market price of such Notes may be very volatile (depending on the volatility of the relevant currency, commodity, interest rate, future contract, index or formula or basket thereof).

Neither the current nor the historical value of the relevant currencies, commodities, interest rates or other indices or formulae should be taken as an indication of future performance of such currencies, commodities, interest rates or other indices or formulae during the term of any Note.

### **In case of a cap, a Noteholder will not be able to benefit from any actual favourable development beyond the cap**

If the interest rate and/or redemption amount of an issue of Notes are not fixed but will be determined according to the structure of Notes as set out in the relevant Final Terms of the Notes, such an issue may also incorporate a cap. The effect of a cap is that the amount of interest and/or the redemption amount will never rise above the predetermined cap, so that the holder will not be able to benefit from any actual favourable development beyond the cap. The yield could therefore be considerably lower than that of similarly structured Notes without a cap.

### **There may be potential conflicts of interest**

Each of the Issuer, the Dealer(s) or any of their respective affiliates not only issue Notes but also have other business areas which independently do business with companies that might be part of the assets underlying Notes (e.g., an index, single shares or baskets). It cannot be ruled out that decisions made by those independent business areas may have a positive or a negative impact on the underlying value.

### **Equity-linked Notes bear similar risks to a direct equity investment**

Equity-linked Notes may either be issued as Equity-linked Interest Notes where payment of interest will be calculated by reference to a single equity security or a basket of equity securities (as indicated in the applicable Final Terms) or as Equity-linked Redemption Notes where payment of principal will be calculated by reference to a single equity security or a basket of equity securities (as indicated in the applicable Final Terms). Equity-linked Redemption Notes may also provide that the redemption will be by physical delivery of reference items. Accordingly, an investment in Equity-linked Redemption Notes may bear similar risks as a direct equity investment and investors should take advice accordingly. In case of Equity-linked Redemption Notes, the investor may lose the value of his entire investment or part of it.

### **Fund-linked Notes bear similar risks to a direct investment in funds**

Fund-linked Notes may either be issued as Fund-linked Interest Notes where payment of interest will be calculated by reference to a fund or a basket or portfolio of funds (as indicated in the applicable Final Terms) or as Fund-linked Redemption Notes where payment of principal will be calculated by reference to a fund or a basket or portfolio of funds (as indicated in the applicable Final Terms). Fund-linked Redemption Notes may also provide that the redemption will be by physical delivery of reference items. Accordingly, an investment in Fund-linked Redemption Notes may bear similar risks as a direct fund investment and investors should take advice accordingly. In particular, an investor may be exposed to the market risk of the positions in which the fund (or funds) invests and the risk that the management of the fund (or funds) may act negligently or fraudulently. The performance (positive or negative) of the fund may have a direct impact on the Fund-linked note. In case of Fund-linked Redemption Notes, the investor may lose the value of his entire investment or part of it.

### **Notes linked to Hedge Funds carry a high degree of risk**

Special investment considerations apply to Notes linked to hedge funds: An investment in Notes which economically represent a hedge fund carries a high degree of risk. Hence only a small part of the disposable funds should be invested into such Notes and not all disposable funds or funds financed by credit should be invested into such Notes. An investment into such Notes will be offered to investors particularly knowledgeable in investment matters. Investors should participate in the investment only if they are in a position to consider carefully the risks associated with such Notes.

### **A holder of Credit-linked Notes is exposed to the credit risk of the Issuer and that of one or more reference entities**

A holder of a Credit-linked Note is exposed to the credit risk of the Issuer and that of one or more Reference Entities (as specified in the applicable Final Terms). There is no guarantee that a holder of such Notes will receive the full principal amount of such Notes and interest thereon and ultimately the obligations of the Issuer to pay principal under such Notes may be reduced to zero. Accordingly, an investment in Credit-linked Notes involves a high degree of risk which can only be adequately assessed where an investor has sufficient knowledge and experience to evaluate the merits and risks of investing in such Notes and has access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks.

The Issuer's obligations in respect of Credit-linked Notes are irrespective of the Issuer's credit exposure to a Reference Entity and the Issuer need not suffer any loss or provide evidence of any loss as a result of the occurrence of a Credit Event (as specified in the applicable Final Terms). The Issuer may deal in any obligation of a Reference Entity (as specified in the applicable Final Terms) and may, where permitted, accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business with, a Reference Entity or any other person or entity having obligations relating to such Reference Entity, and may act with respect to such business in the same manner as each of them would if the Credit-linked Notes did not exist, regardless of whether any such action might have an adverse effect on a Reference Entity or the position of the holder of Credit-linked Notes.

The Issuer may be in possession of information in relation to a Reference Entity that is or may be material in the context of the Credit-linked Notes and that may or may not be publicly available, and the Terms and Conditions of such Notes do not impose any obligation on the part of the Issuer to disclose to the holders any such relationship or information.

**Payments in respect of Commodity-linked Notes will be dependent upon the performance of the underlying commodity**

Payments in respect of Commodity-linked Notes will be dependent upon the performance of the underlying commodity. An investment in Commodity-linked Notes is not the same as an investment in the underlying commodity or an investment which is directly linked to such commodity. The performance of the underlying commodity may go down as well as up and its performance at any specific date may not reflect its prior or future performance. There can be no assurance as to the future performance of the underlying commodity. Accordingly, before investing in Commodity-linked Notes, prospective investors should carefully consider whether an investment based on the performance of an underlying commodity is suitable for them. Commodity-linked Notes involve complex risks, which include, among other things, commodity price risks, credit risk and/or political and general economic risks.

**Payments in respect of Future-linked Notes will be dependent upon the performance of the underlying future contract**

An investment in Future-linked Notes may bear similar complex risks (in particular price risk, credit risk and/or political and general economic risk) to those associated with a direct investment in the underlying of such Notes, and investors should take advice accordingly. However, investors should be aware that an investment in such Notes is not the same as a direct investment in a future contract and/or an investment which is directly linked to such future contract. In particular, fluctuations in the value of the future contract (or of each future contract contained in a basket) will affect the value of such a Note. Investors should note that future contracts are usually more volatile and risky than other underlyings and should consider whether they are able and willing to expose themselves to this additional risk. There can be no assurance as to the future performance of the future contract. The repayment amount payable by the Issuer might be substantially less than the issue price or, as the case may be, the purchase price invested by the holder of the Note and it may even be zero, in which case the holder may lose its entire investment.

**The obligations of the Issuer under Subordinated Notes constitute unsecured and subordinated obligations which are subordinated to the claims of all unsubordinated creditors of the Issuer**

The Issuer may issue Subordinated Notes. The obligations of the Issuer in case of Subordinated Notes constitute unsecured and subordinated obligations. In the event of the liquidation or bankruptcy of the Issuer, such obligations will be subordinated to the claims of all unsubordinated creditors of the Issuer so that in any such event no amounts will be payable under such obligations until the claims of all unsubordinated creditors of the Issuer will have been satisfied in full. Interest on Subordinated Notes constituting Supplementary Capital or Subordinated Supplementary Capital is only payable if payment thereof would be covered by the annual surplus of the issues prior to any changes in the reserves of the Issuer. If such payment is not permitted in any one year, such interest will, unless specified otherwise, be deferred to the following year until the Issuer has sufficient surplus to pay such deferred interest payments. Prior to the liquidation of the Issuer, Subordinated Notes constituting Supplementary Capital or Subordinated Supplementary Capital may only be redeemed subject to the pro rata deductions from the principal outstanding of such Subordinated Notes of the net losses of the Issuer which have accrued since the issue date of such Subordinated Notes.

Claims of the Issuer are not permitted to be offset against payment obligations of the Issuer under the Subordinated Notes and no contractual collateral may be provided by the Issuer or a third person in respect of any liabilities constituted by Subordinated Notes. No subsequent agreement may limit the subordination or amend the maturity of Subordinated Notes.

**Tier 1 Notes constitute perpetual, profit-related, unsecured and subordinated obligations of the Issuer and will be subordinated to all present and future senior and other unsubordinated and subordinated debt obligations of the Issuer**

The Tier 1 Notes will be perpetual securities in respect of which there will be no fixed redemption date. If the applicable Final Terms indicate that the Issuer, in accordance with the Terms and Conditions, has the right to call the Tier 1 Notes (an optional call right), then Tier 1 Notes will be redeemable at the option of the Issuer upon giving notice within the notice period (if any) indicated in the applicable Final Terms to the holders of the Tier 1 Notes on the date or dates, at the price and on such terms as indicated in the applicable Final Terms.

The Tier 1 Notes are also redeemable for certain tax reasons (including if the Issuer is required to make additional (gross-up) payments) and capital adequacy reasons in accordance with the Terms and Conditions of the Tier 1 Notes.

If the Issuer redeems the Tier 1 Notes, a holder of such Notes is exposed to the risk that, due to the redemption, its investment will have a lower than expected yield. The Issuer might exercise its optional call right if the yield or relative credit spread on comparable Notes in the capital market falls, which means that the investor may only be able to reinvest the redemption proceeds in notes with a lower yield or higher credit spread.

The Tier 1 Notes have no fixed final redemption date and holders have no rights to call for their redemption. Although the Issuer may redeem Tier 1 Notes in certain circumstances, there may be limitations on its ability to do so. Therefore, holders should be aware that they may be required to bear the financial risks of an investment in the Tier 1 Notes for an indefinite period of time.

The Tier 1 Notes will constitute direct, unsecured and subordinated obligations of the Issuer and will be subordinated to all present and future senior and other unsubordinated and subordinated debt obligations of the Issuer (save for subordinated debt obligations which rank or are expressed to rank *pari passu* with the Tier 1 Notes) and will rank senior to the ordinary shares of the Issuer.

The obligations of the Issuer under the Tier 1 Notes will rank junior as to payments to all liabilities to its creditors (including, without limitation, depositors, general creditors and subordinated debt holders) and claims of holders of senior ranking securities, *pari passu* as to payments in respect of Parity Securities and senior as to payments in respect of Junior Securities. In the event that the Issuer is wound up, liquidated or dissolved, the assets of the Issuer would be available to pay obligations under the Tier 1 Notes only after all payments have been made on such senior liabilities and claims.

Interest on the Tier 1 Notes is not cumulative. Interest on the Tier 1 Notes will be paid by the Issuer out of Distributable Funds, except that the Issuer will not be required to make payments of interest to the extent that the aggregate of such interest payments together with interest paid on the Tier 1 Notes previously during the current fiscal year and distributions made or proposed or reasonably likely to be made on Parity Securities during the current fiscal year would exceed Distributable Funds.

Whether sufficient Distributable Funds are available remains in the discretion of the Issuer, as the Issuer may elect to allocate earnings to its reserves which will not qualify as Distributable Funds. And even if sufficient Distributable Funds are available, the Issuer will not be required to make payments of interest if its Managing Board has resolved that, in accordance with applicable Austrian banking regulations affecting banks which fail to meet their capital ratios pursuant to the Act, the Issuer would be limited in making such payments on Parity Securities or if there is in effect an order of the FMA prohibiting the Issuer from making any payments. If interest on the Tier 1 Notes for any interest period is not paid for such reasons, the holder of the Tier 1 Notes will not be entitled to receive interest, even if Distributable Funds subsequently become available. The Issuer may also, even where sufficient Distributable

Funds are available and where payment would not be prohibited by applicable Austrian banking regulations or by an order of the FMA, at its sole discretion, elect not to make Interest Payments on the Tier 1 Notes, known as the "Optional Non-Payment Right", subject to the obligation of the Issuer to make Interest Payments in certain circumstances in which the Issuer or an Issuing Vehicle makes a dividend payment or distribution or other payment on Interest Parity Securities or Junior Securities.

Although in certain circumstances in which the Issuer or an Issuing Vehicle makes a dividend payment or distribution or other payment on certain other securities the Issuer will be required to make Interest Payments, this requirement will not apply if there are insufficient Distributable Funds or if there is in effect an order of the FMA prohibiting the Issuer from making any payments or if its capital ratios are not met.

**Reverse Convertible Notes expose the investor to fluctuations in the market prices of both the Notes and the underlying asset, as well as to all the associated risks of a direct investment in the underlying asset**

Reverse Convertible Notes will provide the Issuer with the right to convert Notes into shares or other equity-like instruments of the Issuer or any other company limited by shares, commodities, currencies or funds, or baskets thereof, whether listed or unlisted. At maturity the Issuer may choose to exercise its conversion right or redeem the Notes through cash settlement. A holder of a Reverse Convertible Note is exposed to fluctuations in the market price of the Notes and the risk of default by the underlying issuer, if any, as well as the associated risks of a direct investment in the underlying asset. Reverse Convertible Notes will be issued as Domestic Notes only.

**Failure to pay an instalment could result in an investor risk of losing all or part of its investment in Instalment Notes**

The Issuer may issue Notes where the issue price is payable in more than one instalment. Investors should therefore be aware that they may be required to make further payments of principal after having acquired the instalment Notes. Failure to pay any subsequent instalment could result in the investors risk of losing all or part of their investment.

**Notes may not be a suitable investment for all investors**

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

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) 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.

Some Notes are complex financial instruments and such instruments may be purchased by investors as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

**Credit ratings of Notes may not adequately reflect all risks of the investment in such Notes and may be suspended, downgraded or withdrawn**

A rating of Notes may not adequately reflect all risks of the investment in such Notes. Equally, ratings may be suspended, downgraded or withdrawn. Such suspension, downgrading or withdrawal may have an adverse effect on the market value and trading price of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

**Special Risk related to Notes with Integral multiples of less than €50,000**

In relation to any issue of Notes which have a denomination consisting of a minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of €50,000 (or its equivalent) that are not integral multiples of €50,000 (or its equivalent). In such a case, a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

**If a loan or credit is used to finance the acquisition of the Notes, the loan may significantly increase the risk of a loss**

If a loan is used to finance the acquisition of the Notes by an investor and the Notes subsequently go into default, or if the trading price diminishes significantly, the investor may not only have to face a potential loss on its investment, but it will also have to repay the loan and pay interest thereon. A loan may significantly increase the risk of a loss. Investors should not assume that they will be able to repay the loan or pay interest thereon from the profits of a transaction. Instead, investors should assess their financial situation prior to an investment, as to whether they are able to pay interest on the loan, repay the loan on demand, and that they may suffer losses instead of realising gains.

**Incidental costs related in particular to the purchase and sale of the Notes may have a significant impact on the profit potential of the Notes**

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) may be incurred in addition to the purchase or sale price of the Notes. These incidental costs may significantly reduce or eliminate any profit from holding the Notes. Credit institutions as a rule charge commissions which are either fixed minimum commissions or pro-rata commissions, depending on the order value. To the extent that additional - domestic or foreign - parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, investors may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

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

### **Investors have to rely on the functionality of the relevant clearing system**

The Notes are purchased and sold through different clearing systems, such as Clearstream Banking S.A., Euroclear Bank S.A./N.V. or Oesterreichische Kontrollbank Aktiengesellschaft. The Issuer does not assume any responsibility as to whether the Notes are actually transferred to the securities portfolio of the relevant investor. Investors have to rely on the functionality of the relevant clearing system.

### **The tax impact of an investment in the Notes should be carefully considered**

Interest payments on Notes, or profits realised by an investor upon the sale or repayment of Notes, may be subject to taxation in its home jurisdiction or in other jurisdictions in which it is required to pay taxes. The tax impact on investors generally is described under "Taxation"; however, the tax impact on an individual investor may differ from the situation described for investors generally. Prospective investors, therefore, should contact their own tax advisors for advice on the tax impact of an investment in the Notes. Furthermore, the applicable tax regime may change to the disadvantage of the investors in the future.

### **The Notes are governed by English or Austrian law, and changes in applicable laws, regulations or regulatory policies may have an adverse effect on the Issuer, the Notes and the investors**

The terms and conditions of the Notes will be governed either by English or Austrian law in effect as at the date of this Prospectus. Investors should thus note that the governing law may not be the law of their own home jurisdiction and that the law applicable to the Notes may not provide them with similar protection as their own law. Furthermore, no assurance can be given as to the impact of any possible judicial decision or change to English or Austrian law (or law applicable in Austria), or administrative practice after the date of this Prospectus.

### **Legal investment considerations may restrict certain investments**

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

Furthermore, the terms and conditions of the Notes may contain certain exclusions or restrictions of the Issuer's or other parties' (e.g. the Fiscal Agent, the Calculation Agent, the Paying Agent etc) liability for negligent acts or omissions in connection with the Notes, which could result in the investors not being able to claim (or only to claim partial) indemnification for damage that has been caused to them. Investors should therefore inform themselves about such exclusions or restrictions of liability and consider whether these are acceptable for them.

## GENERAL DESCRIPTION OF THE PROGRAMME

*The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus and, in relation to the Terms and Conditions of any particular Tranche of Notes, the applicable Final Terms. Words and expressions defined or used in "Terms and Conditions of the Notes" below shall have the same meanings in this overview. The Issuer may agree with any Dealer that Notes may be issued in a form other than that contemplated in "Terms and Conditions of the Notes" herein, in which event (in the case of listed or publicly offered Notes only) a supplement to the Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.*

<b>Issuer</b>	Erste Group Bank AG
<b>Description</b>	Debt Issuance Programme
<b>Size</b>	Up to €30,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate principal amount of Notes outstanding at any one time.
<b>Domestic Arranger</b>	Erste Group Bank AG
<b>International Arranger</b>	J.P. Morgan Securities Ltd.
<b>Dealers</b>	<p>Erste Bank der oesterreichischen Sparkassen AG, and Erste Group Bank AG.</p> <p>The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Prospectus to "Permanent Dealers" are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and to Dealers are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.</p>
<b>Fiscal Agent</b>	BNP Paribas Securities Services, Luxembourg Branch
<b>International Paying and Transfer Agents</b>	BNP Paribas Securities Services, Luxembourg Branch
<b>Domestic Agent</b>	Erste Group Bank AG



The Issuer may, subject to the terms of the Agency Agreement from time to time, remove the Fiscal Agent and/or the International Paying and Transfer Agent and/or the Domestic Agent, and/or may appoint other or additional paying agents, as set out in the Final Terms. Such other paying agents will be appointed in accordance with applicable statutory requirements and/or the rules of the stock exchanges where Notes of the respective Series are listed, and will either be banks or other entities licensed in the EEA or another market where Erste Group is active to act as paying agents.

### **Method of Issue**

Notes will be specified in the relevant Final Terms as either International Notes or Domestic Notes (together, the "Notes"). International Notes will be issued on a syndicated or a non-syndicated basis. Domestic Notes will be issued on a non-syndicated basis only.

The Notes will be issued in series (each a "Series") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "Tranche") on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental Terms and Conditions and, save in respect of the issue date, issue price, first payment of interest and principal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a final terms supplement to this Prospectus (the "Final Terms").

### **Redenomination, renominatisation and/or reconventioning**

Notes denominated in a currency that may be redenominated into euro may, following the giving of notice by the Issuer to the Noteholders, the Fiscal Agent, Euroclear and/or Clearstream, Luxembourg (in the case of International Notes) or to the Noteholders, the Fiscal Agent and/or OeKB (in the case of Domestic Notes), be subject to redenomination, renominatisation, reconventioning and/or consolidation with other Notes then denominated in euro as may be specified in the Final Terms.

### **Consolidation**

Notes of one Series may be consolidated with Notes of another Series and provisions in respect of such consolidation will be contained in Part A

of the relevant Final Terms.

**Issue Price**

Notes may be issued at their principal amount or at a discount or premium to their principal amount. Partly-paid Notes may be issued, the issue price of which will be payable in two or more instalments.

**Form of Notes**

The Notes may be issued in bearer form only ("Bearer Notes"), in the case of Notes governed by English law only, in bearer form exchangeable for Registered Notes ("Exchangeable Bearer Notes") or in registered form only ("Registered Notes"). Each Tranche of Bearer Notes and Exchangeable Bearer Notes will be represented on issue by a temporary Global Note without interest coupons if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in "General Description of the Programme - Selling Restrictions"), otherwise such Tranche will be represented by a permanent Global Note without interest coupons. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of one holder or a nominee for one or more clearing systems are referred to as "Global Certificates".

**Clearing Systems**

For International Notes, Euroclear, Clearstream, Luxembourg and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer. Domestic Notes will in all cases be cleared through OeKB (and may be settled through Euroclear and Clearstream, Luxembourg) or with or on behalf of the Issuer or may be held by investors.

**Initial Delivery of Notes**

On or before the issue date for each Tranche, if the Global Note is in NGN form, it will be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. On or before the issue date for each Tranche, if the Global Note is in CGN form, the Global Note representing Bearer Notes or Exchangeable Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depository for Euroclear and Clearstream,

Luxembourg (in the case of International Notes) or a depository for OeKB or OeKB or with or on behalf of the Issuer (in the case of Domestic Notes). Global Notes or Global Certificates representing International Notes may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.

**Currencies**

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency if the Issuer and the relevant Dealers so agree.

**Maturities**

Subject to compliance with all relevant laws, regulations and directives, the Notes will have a minimum maturity of one month.

**Denomination**

Notes will be issued in such denominations as may be agreed by the Issuer and the relevant Dealer(s) and specified in the relevant Final Terms, save that the minimum denomination of the Notes will be Euro 1,000 or, if any currency other than Euro, in an amount in such other currency equal to or exceeding the equivalent of Euro 1,000 at the time of the issue of the Notes.

**Fixed Interest Rate Notes**

Fixed interest will be payable in arrear on the date or dates in each year specified in Part A of the relevant Final Terms.

**Floating Rate Notes**

Floating Rate Notes will bear interest set separately for each Series:

(i) 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 ISDA Definitions (as defined in the Terms and Conditions of the Notes); or

(ii) by reference to LIBOR or EURIBOR (or such other benchmark as may be specified in Part A of the relevant Final Terms) as adjusted for any applicable margin.

Interest periods will be specified in Part A of the relevant Final Terms.

**Zero Coupon Notes**

Zero Coupon Notes may be issued at their principal amount or at a discount to it and will not bear interest.

**Index-linked Notes**

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of index-linked Notes will be calculated by reference to such stock or commodity or other index, currency exchange rate and/or formula as the Issuer and the relevant Dealer or other purchaser may agree (as indicated in Part A of the relevant Final Terms).

**Fund-linked Notes**

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of fund-linked Notes will be calculated by reference to such fund or basket of funds as the Issuer and the relevant Dealer or other purchaser may agree (as indicated in Part A of the relevant Final Terms). Funds may directly or indirectly invest in accordance with the principle of portfolio diversification in shares, bonds, structured notes, real estate, money market instruments, financial instruments, commodities, indices, funds and other investments. Funds may be listed or unlisted and may be established in various forms and structures depending on the applicable legal regime and investment objective. In particular, funds may be set up as closed end or open end vehicles with or without own legal subjectivity with or without a separate management entity. Depending on the jurisdiction of the establishment of the fund, its structure, investment object, etc the fund may be set up in accordance with Council Directive 85/611/EEC of 20 December 1985 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS") (the "UCITS Directive"), as amended. The fund categories sufficient to serve as an underlying for fund-linked Notes are not restricted to funds in compliance with the UCITS Directive and may include various funds categories, such as single funds or fund of funds structures, index funds and index tracking funds, real estate funds, hedge funds, alternative investment funds and others, whose structure, investment objectives, investor's participation etc. may differ from the structure, investment objectives, investor's participation etc. under the UCITS Directive. Depending on the applicable

legal regime, funds may or may not be subject to supervision of authorities, certain investment thresholds and limited redemption rights.

**Variable Coupon Amount Notes**

The Final Terms issued in respect of each issue of variable coupon amount Notes will specify the basis for calculating the amounts of interest payable, which may be by reference to a stock index or formula or as otherwise provided in Part A of the relevant Final Terms.

**Variable Redemption Amount Notes**

The Final Terms issued in respect of each issue of variable redemption amount Notes will specify the basis for calculating the redemption amounts payable, which may be by reference to a stock index or formula or as otherwise provided in Part A of the relevant Final Terms.

**Equity-linked Notes**

Payments in respect of Equity-linked Notes will be calculated by reference to such single equity security or basket of equity securities, as indicated in Part A of the relevant Final Terms.

**Credit-linked Notes**

Credit-linked Notes may be issued relating to one or more reference entities (as specified in the relevant Final Terms). Holders of Credit-linked Notes are exposed to the credit risk of the Issuer and such reference entities.

**Commodity-linked Notes**

Payments in respect of Commodity-linked Notes will be calculated by reference to a commodity (or basket thereof), as indicated in Part A of the relevant Final Terms.

**Future-linked Notes**

Payments in respect of Future-linked Notes will be calculated by reference to a future contract (or basket thereof), as indicated in Part A of the relevant Final Terms.

**Reverse Convertible Notes**

Reverse Convertible Notes (convertible into shares, commodities, currencies or funds, or baskets thereof, whether listed or unlisted) may be issued as Domestic Notes only, as specified in the relevant Final Terms.

**Other Notes**

Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, dual currency Notes, reverse dual currency Notes, optional dual currency Notes, partly-paid Notes, and any other type of Note that is

foreseen in this Prospectus and the Issuer and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Final Terms.

**Interest Periods and Interest Rates**

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate or both. The use of interest accrual periods permit the Notes to bear interest at different rates in the same interest period. All such information will be set out in Part A of the relevant Final Terms.

**Redemption**

Notes may be redeemable at par or at such other Redemption Amount (detailed in a formula or otherwise) as will be specified in Part A of the relevant Final Terms.

**Redemption by Instalments**

The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.

**Optional Redemption**

The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed (either in whole or in part) prior to their stated maturity (if any) at the option of the Issuer and/or (other than in the case of Tier 1 Notes) the holders, and if so the terms applicable to such redemption.

**Status of the Senior Notes**

The Senior Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, all as described in "Terms and Conditions of the Notes - Status of the Senior Notes".

**Status of the Subordinated Notes**

The Subordinated Notes will constitute direct, subordinated and unsecured obligations of the Issuer, all as described in "Terms and Conditions of the Notes - Status of the Subordinated Notes".

**Status of the Tier 1 Notes**

The Tier 1 Notes will constitute direct, subordinated and unsecured obligations of the Issuer, all as described in "Terms and Conditions of the Notes – Status of the Tier 1 Notes".

**Status of Pfandbriefe (Mortgage Bonds), Kommunalschuldverschreibungen (Öffentliche Pfandbriefe) (Public-Sector Covered Bonds) and Covered Bonds**

*Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds) and Covered Bonds may be issued as either International Notes or Domestic Notes and will constitute direct, unconditional and unsubordinated obligations of the Issuer secured by a special pool of cover assets, all as described in "Terms and Conditions of the Notes - Status of the *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds) and Covered Bonds".

**Cross Default**

See "Terms and Conditions of the Notes - Events of Default". *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds), Tier 1 Notes and Covered Bonds are not subject to Cross Default.

**Negative Pledge**

See "Terms and Conditions of the Notes - Negative Pledge" in respect of Senior Notes only.

**Early Redemption**

Except as provided in "Optional Redemption" above, (i) Notes (other than Tier 1 Notes) will be redeemable at the option of the Issuer prior to maturity only for tax reasons and, at the option of the Noteholders, only in certain defined circumstances and (ii) Tier 1 Notes may be redeemable at the option of the Issuer only after five years or for certain tax or regulatory reasons. See "Terms and Conditions of the Notes - Redemption, Purchase and Options".

**Withholding Tax**

All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of Austria, subject to customary exceptions as described in "Terms and Conditions of the Notes - Taxation".

**Governing Law**

To be specified in Part A of the relevant Final Terms, as either:

English law, save that the subordination provisions contained in Conditions 3(b) and 3(c) of the Notes and the determination of "Distributable Funds" in Condition 5(c) are governed by Austrian law; or

Austrian law, in respect of issues nominated as being governed by Austrian law, including issues

of *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds) and Covered Bonds.

International Notes may be governed by English law or by Austrian law. All Domestic Notes will be governed by Austrian law.

### **Place of Jurisdiction**

If English law is specified in Part A of the relevant Final Terms as the governing law, the Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons ("Proceedings") may be brought in such courts, to the extent permissible according to applicable mandatory consumer protection legislation.

For *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds) or Covered Bonds or if Austrian law is specified in Part A of the relevant Final Terms as the governing law, the competent Austrian courts shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Notes, to the extent permissible according to applicable mandatory consumer protection legislation.

### **Binding Language**

To be specified in Part A of the relevant Final Terms, as either:

(i) English language, and, if specified in the relevant Final Terms, with the German language version constituting a convenience translation only; or

(ii) German language, and, if specified in the relevant Final Terms, with the English language version constituting a convenience translation only.

International Notes will be issued in the English language, and Domestic Notes will be issued in the German or English language.

### **Listing and Admission to Trading**

Application may be made to admit the Programme and/or Notes to the Markets or as otherwise specified in Part B of the relevant Final Terms and references to listing shall be construed accordingly. As specified in Part B of the relevant



Final Terms, a Series may, but need not be, listed on the Markets or any other market or stock exchange.

At the date of this Prospectus, Notes of the Issuer are admitted to trading on the Regulated Market of the Luxembourg Stock Exchange Euronext Amsterdam, Baden Württembergische Wertpapierbörse, SWX Swiss Exchange and on the Markets.

## **Ratings**

Tranches of Notes (as defined in "General Description of the Programme") may be rated or unrated. Where a Tranche of Notes is rated, such rating will be specified in the relevant Final Terms.

*A 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.*

## **Selling Restrictions**

United States, the European Economic Area, Italy, United Kingdom, Japan and such other restrictions as may be required in connection with a particular issue. See "Subscription and Sale".

The Notes to be offered and sold will be subject to the restrictions of Category 2 for the purposes of Regulation S under the Securities Act.

Notes having a maturity of more than one year will be subject to the United States Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA") and will be issued in compliance with US Treas. Reg. §1.163-5(c)(2)(i)(D) (the "D Rules") unless (i) Part A of the relevant Final Terms states that Notes are issued in compliance with US Treas. Reg. §1.163-5(c)(2)(i)(C) (the "C Rules") or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration-required obligations" under TEFRA, which circumstances will be referred to in Part A of the relevant Final Terms as a transaction to which TEFRA is not applicable.

**OVERVIEW OF PFANDBRIEFE (MORTGAGE BONDS),  
KOMMUNALSCHULDVERSCHREIBUNGEN (ÖFFENTLICHE PFANDBRIEFE)  
(PUBLIC-SECTOR COVERED BONDS) AND COVERED BONDS**

*Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) and Covered Bonds are Austrian law debt instruments, the quality and standards of which are regulated by the Mortgage Bank Act (*Hypothekbankgesetz*), the Introductory Order to the Mortgage Bank Act (*Verordnung über die Einführung des Hypothekbankgesetzes*), and the Austrian Law on Covered Bank Bonds (*Gesetz über fundierte Bankschuldverschreibungen*). Depending on whether the Notes are *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) or Covered Bonds, the investors' claims under such Notes are secured at all times by separate pools of certain eligible assets (*Deckungsstock*). Such assets are listed in special registers kept by the Issuer. Assets included in these asset pools may only be seized and sold to satisfy claims arising from the relevant Notes.

The assets of the cover pool for *Pfandbriefe* (Mortgage Bonds) consist of mortgage loans (or parts thereof) with a loan to value ratio not exceeding 60%. This applies to mortgages over Austrian real estate; real estate located in member states of the European Economic Area and Switzerland may also be used as cover assets, provided that the legal and economic position of the creditors of the *Pfandbriefe* (Mortgage Bonds) is comparable to that of creditors with respect to Austrian mortgages. To some extent, mortgages which do not satisfy such conformity tests may also be included in the asset pool to a limit of not more than 10% of all conforming mortgages.

The asset pool for *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) consists of loan claims against, or debt securities issued or guaranteed by, Austrian governmental entities or other Member States of the European Economic Area or Switzerland or their regional governments and governmental entities for which the competent authorities pursuant to Art 43 sec 1 lit b No 5 of the Directive 2000/ 12/EC have fixed a risk weighting of not more than 20%, or by claims benefiting from a guarantee granted by one of these governmental entities.

Covered Bonds are secured by a separate asset pool which comprises claims and securities that are suitable for the investment of assets of minors, claims and securities secured by a mortgage registered in a public register, claims against, or debt securities issued or guaranteed by, Austrian government entities or other Member States of the European Economic Area or Switzerland or their regional governments or governmental entities for which the competent authorities pursuant to Art 43 sec 1 lit b No 5 of the Directive 2000/12/EC have fixed a risk weighting of not more than 20%, or by claims benefiting from a guarantee granted by one of these governmental entities.

Certain assets held in trust on behalf of the Issuer may also be included in the relevant cover pools, as well as derivative contracts if they are used to hedge interest rates, foreign exchange or issuer insolvency risks connected with the *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) or Covered Bonds.

The total amount of issued *Pfandbriefe* (Mortgage Bonds) is at any time required to be covered by mortgages of at least the same amount and same interest revenue, supplemented by a safety margin requirement of an additional 2% of the nominal value of the outstanding *Pfandbriefe* (Mortgage Bonds). Additionally, the articles of association of the Issuer currently provide that the present value (*Barwert*) of the outstanding *Pfandbriefe* (Mortgage Bonds) shall be covered at any time by eligible assets. The same requirements regarding the safety margin and the coverage of the present value apply *mutatis mutandis* for Covered Bonds, and, for *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds).

In the event that due to the repayment of mortgages or for any other reason the existing mortgages do not fully cover the issued *Pfandbriefe* (Mortgage Bonds), the Issuer may replace the shortfall in cover assets by (i) bonds or other notes that would be eligible as cover assets for *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) provided such bonds or notes are traded on a regulated market in Austria or an OECD member country, (ii) credit balances held with certain central banks or credit institutions, in particular those permitted to conduct business in Member States or member countries of the OECD, or (iii) cash. In the case of Covered Bonds, only credit balances held with certain central banks or credit institutions or cash are eligible as substitute cover assets. Substitute cover assets may never exceed 15% of the total amount of outstanding *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) or Covered Bonds. Notes issued by public bodies (item (i) above) may only be used as substitute assets for *Pfandbriefe* (Mortgage Bonds) up to an amount of 5% of the nominal value deducted from their stock exchange or market price, but never exceeding their nominal value. The same applies to *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds).

The applicable statutes provide that, as a general rule, *Pfandbriefe* (Mortgage Bonds) may only be issued if their maturity terms do not materially exceed the maturity of the mortgages. As a further requirement, the fraction of the nominal value of any newly issued *Pfandbriefe* (Mortgage Bonds) with a maturity of more than 15 years must not, at the end of each financial quarter and within a calculation time period of three years, exceed 60% of the nominal value of all newly issued *Pfandbriefe* (Mortgage Bonds). For the purposes of such calculation, the nominal value of assets with a maturity of more than 15 years which have been newly acquired during the three year calculation period, may be deducted from the nominal value of the *Pfandbriefe* (Mortgage Bonds) with a maturity of more than 15 years. Furthermore, special rules exist for *Pfandbriefe* (Mortgage Bonds) with regard to which the Issuer has either waived its right of early repayment for a time period of up to a third of the term of the *Pfandbriefe* (Mortgage Bonds), or the repayment of which must be commenced not later than after the lapse of a third of the term of the *Pfandbriefe* (Mortgage Bonds). The same applies to *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds).

A Trustee (*Treuhänder*) has been appointed for a term of five years for each cover pool by the Federal Minister of Finance, which holds in trust the title deeds relating to the asset pool and the cash contained therein. The Trustee's primary task is to ensure that the required cover assets for the *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) or Covered Bonds, and the claims of derivative counter-parties of the Issuer, are at all times sufficient. No asset may be deleted from the relevant register without the written consent of the Trustee.

The asset pools form separate cover funds for the claims of the holders of the *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) and Covered Bonds, respectively, and the creditors under the respective derivative contracts (if any). In the event of bankruptcy of the Issuer, applicable Austrian law expressly contemplates a continuation rather than a liquidation of the asset pools: in a bankruptcy the *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) and the Covered Bonds will not be automatically terminated by operation of law but the cash flows will in general remain unaffected. Each asset pool would be administered by a special court-appointed receiver (which may also be another credit institution) without infringement of the rights of the holders of the *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) and Covered Bonds. In the event that funds are required to discharge obligations that become due, the special receiver may collect claims that have become due, sell cover assets or raise bridge financing. After its appointment, the special receiver is obliged to sell the asset pool together with the obligations from the *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) and Covered Bonds, respectively, to an appropriate credit institution. Only where a sale is not possible must the asset pool be liquidated in accordance with the relevant statutes.

In such case, the *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds) and Covered Bonds, respectively, will fall immediately due and the liquidation proceeds of such assets will be used (preferentially) to satisfy the claims of the holders of such securities (and counterparties under derivative contracts, if any).

*Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds) and Covered Bonds are full recourse obligations of the Issuer. Since the *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds) and Covered Bonds constitute general liabilities of the credit institution, holders also have recourse to the assets of the Issuer outside the asset pools. However, as regards those assets, holders of the *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds) and Covered Bonds will rank equally with other unsecured and unsubordinated creditors of the Issuer, their claims being limited to the (foreseeable) shortfall, if any, they may suffer in the liquidation of the respective cover pool. The supervisory authority has the right to request the competent court to appoint a common curator to represent the holders of *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds) and Covered Bonds. Such curator may also be appointed in the event of a bankruptcy of the Issuer, and on the application of any third party whose rights would be deferred due to the lack of a common representative. In such an event, the common rights of the holders arising out of the *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds) and Covered Bonds may only be exercised by the curator. The holders may join the proceedings conducted by the common curator at their own cost.

*Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds) and Covered Bonds may be issued as either International Notes or Domestic Notes.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the Terms and Conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Final Terms, shall be applicable to the Notes represented by Global Notes and Definitive Notes (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these Terms and Conditions together with the relevant provisions of Part A of the Final Terms or (ii) these Terms and Conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Final Terms. Those definitions will be endorsed on the Definitive Notes or Certificates, as the case may be. References in the Conditions to Notes are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

This Note is either a Domestic Note or an International Note as specified hereon. The International Notes are issued pursuant to an Agency Agreement (as amended or supplemented as at the Issue Date, the "Agency Agreement") dated 17 July 2009 between the Issuer, BNP Paribas Securities Services, Luxembourg Branch as fiscal agent and the other agents named therein and, with regard to International Notes governed by English law, with the benefit of a Deed of Covenant (as amended or supplemented as at the Issue Date, the "Deed of Covenant") dated 17 July 2009 executed by the Issuer in relation to the Notes. In relation to Domestic Notes, the Issuer will act as fiscal agent, paying agent, registrar, transfer agent and calculation agent as necessary. The fiscal agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "Fiscal Agent", the "Paying Agents" (which expression shall include the Fiscal Agent), the "Registrar", the "Transfer Agents" and the "Calculation Agent(s)". The Noteholders (as defined below), the holders of the interest coupons (the "Coupons") relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "Talons") (the "Couponholders") and the holders of the receipts for the payment of instalments of principal (the "Receipts") relating to Notes in bearer form of which the principal is payable in instalments (the "Receiptholders") are deemed to have notice of all of the provisions of the Agency Agreement applicable to them, to the extent such Notes, Coupons, Talons or Receipts are governed by English law.

As used in these Conditions, Tranche means Notes which are identical in all respects and "relevant Final Terms" means the final terms document relating to a Tranche.

Copies of the Agency Agreement, the Deed of Covenant, the ISDA Definitions and the 2003 ISDA Credit Derivatives Definitions, which are published from time to time by the International Swaps and Derivatives Association Inc. are available for inspection during usual business hours at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents.

If English law is specified hereon, no rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

### **1 Form, Denomination and Title**

The Notes are issued in bearer form ("Bearer Notes", which expression includes Notes that are specified to be Exchangeable Bearer Notes), in registered form ("Registered Notes") or in bearer form exchangeable for Registered Notes ("Exchangeable Bearer Notes") in each case in the Specified Denomination(s) shown hereon.

*All Registered Notes shall have the same Specified Denomination. Where Exchangeable Bearer Notes are issued, the Registered Notes for which they are exchangeable shall*

*have the same Specified Denomination as the lowest denomination of Exchangeable Bearer Notes.*

This Note is a *Pfandbrief*, a *Kommunalschuldverschreibung (Öffentlicher Pfandbrief)*, a Covered Bond, a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index-linked Interest Note, an Index-linked Redemption Note, an Equity-linked Note, a Fund-linked Note, a Credit-linked Note, a Commodity-linked Note, a Future-linked Note, a Reverse Convertible Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Status and Interest and Redemption/Payment Basis shown hereon.

Bearer Notes in definitive form are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates ("Certificates") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes governed by English law shall, subject to mandatory rules of law and save as provided below, pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "Register"). Title to Registered Notes governed by Austrian law shall pass upon assignment (*Zession*) or, where such Registered Notes contain an order clause (*Order-Klausel*), upon endorsement (*Indossament*) and delivery. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any, Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

Notes governed by Austrian law are represented by a Global Note or a Global Certificate without coupons. Definitive Notes, Certificates, Coupons, Talons or Receipts will not be issued for Austrian law governed Notes. Each Global Note or Global Certificate shall be signed by two authorised signatories of the Issuer.

In these Conditions, Noteholder means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), holder (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them herein, the absence of any such meaning indicating that such term is not applicable to the Notes.

As long as Bearer Notes governed by Austrian law are represented by a Global Note, Noteholder means any holder of a co-ownership or other interest or right in the Global Note, in accordance with the Securities Deposit Act and, if applicable, the general terms of business of OeKB as Austrian Central Securities Depository, or the person in whose name a Registered Note and/or Global Certificate is registered.

## **2 Exchange of Exchangeable Bearer Notes and Transfers of Registered Notes**

### **(a) Exchange of Exchangeable Bearer Notes**

Subject as provided in Condition 2(f), Exchangeable Bearer Notes may be exchanged for the same aggregate principal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Receipts, Coupons and Talons relating to it, at the specified office of any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 7(b)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes that are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

### **(b) Transfer of Registered Notes**

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed, or, in case of Registered Notes governed by Austrian law (i) by assignment (*Zession*) or (ii) in case of Registered Notes which contain an order clause (*Order-Klausel*), by transfer of the Certificate properly endorsed (*indossiert*), and any other evidence as the Registrar or Transfer Agent may reasonably require.

In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. If so specified in the Final Terms, holdings of Registered Notes represented by a Certificate may only be transferred in whole in which case the previous sentence shall not apply. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement (if applicable). The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Noteholders. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

### **(c) Exercise of Options or Partial Redemption in Respect of Registered Notes**

In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

**(d) Delivery of New Certificates**

Each new Certificate to be issued pursuant to Conditions 2(a), (b) or (c) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice (as defined in Condition 6(d)) or surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

**(e) Exchange Free of Charge**

Exchange and transfer of Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax, duty or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

**(f) Closed Period**

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(c), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date. An Exchangeable Bearer Note called for redemption may, however, be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

**3 Status**

**(a) Status of Senior Notes**

The Senior Notes (being those Notes which specify their status as Senior) and the Receipts and Coupons relating to them constitute direct, unconditional, unsubordinated and (subject to Condition 4) unsecured obligations of the Issuer and rank pari passu and rateably without any preference among themselves and (subject to any applicable statutory exceptions and without prejudice as aforesaid) the payment obligations of the Issuer under the Senior Notes, Receipts and Coupons relating to them rank equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.



**(b) Status of Subordinated Notes**

The Subordinated Notes (being those Notes which specify their status as Subordinated) and the Receipts and Coupons relating to them constitute direct, unsecured obligations of the Issuer and rank pari passu and rateably without any preference among themselves together with all other subordinated obligations of the Issuer other than subordinated obligations which are expressed to rank junior to the Subordinated Notes. In the event of the liquidation or bankruptcy of the Issuer, the payment obligations of the Issuer under the Subordinated Notes, Receipts and Coupons relating to them will rank in right of payment after unsubordinated creditors of the Issuer but at least pari passu with all other subordinated obligations of the Issuer which are not expressed by their terms to rank junior to the Subordinated Notes and in priority to the claims of shareholders of the Issuer.

Subordinated Notes may be issued in the form of supplementary capital ("Supplementary Capital"), subordinated capital ("Subordinated Capital"), subordinated supplementary capital ("Subordinated Supplementary Capital") or short-term subordinated capital ("Short-term Subordinated Capital"), in each case pursuant to, and in accordance with the requirements from time to time of, the Austrian Banking Act 1993 as amended (Bankwesengesetz) (the "Austrian Banking Act"):

- (i) Supplementary Capital pursuant to section 23, paragraph 7 of the Austrian Banking Act.

*Subordinated Notes constituting Supplementary Capital will have a minimum maturity of eight years.*

The Issuer may redeem the Notes prior to the expiry of a remaining maturity time of three years, provided that this was contractually agreed upon and the Issuer has, prior to giving notice, available to it an equal amount of capital of at least equal Own Funds quality.

Interest on Subordinated Notes constituting Supplementary Capital is only payable if the payment of such interest is covered by the annual surplus (*Jahresüberschuss*) of the Issuer prior to any changes in the reserves of the Issuer (as shown on the Interest Payment Date in the most recent available, non-consolidated, determined annual accounts of the Issuer, prepared in accordance with the Austrian Enterprise Code (*Unternehmensgesetzbuch*) and the Act) (as determined by the managing board (*Vorstand*) of the Issuer). If the payment of interest is not payable in accordance with the foregoing, it will, unless specified hereon as non-cumulative, be deferred until the Issuer has sufficient surplus (as shown on the Interest Payment Date in the most recent available, non-consolidated, determined annual accounts of the Issuer, prepared in accordance with the Austrian Enterprise Code (*Unternehmensgesetzbuch*) and the Act) to pay the deferred interest payments ("Cumulative Supplementary Capital").

Prior to the liquidation of the Issuer, Subordinated Notes constituting Supplementary Capital may only be redeemed subject to the pro rata deduction from the principal outstanding on such Subordinated Notes of the net losses of the Issuer which have accrued since the issue date of such Subordinated Notes. Redemption of the principal amount of Subordinated Notes constituting Supplementary Capital may therefore not occur before the annual accounts of the Issuer (non-consolidated, prepared in accordance with the Austrian Enterprise Code (*Unternehmensgesetzbuch*) and the Act) for all financial years since the issue date of such Subordinated Notes

constituting Supplementary Capital have been determined (as referred to in section 125 of the Austrian Stock Corporation Act).

- (ii) Subordinated Capital pursuant to section 23, paragraph 8 of the Austrian Banking Act.

*Subordinated Notes constituting Subordinated Capital will have a minimum maturity of five years.*

Save as set out below, in case of undated Subordinated Notes constituting Subordinated Capital or where the Issuer or the Noteholders are granted a redemption right, a redemption shall only be permissible after the expiry of a notice period of five years. The Issuer may further redeem Subordinated Notes constituting Subordinated Capital after the expiry of five years without notice period if it has, prior to such notice, available to it an equal amount of capital of at least equal Own Funds quality. The Issuer may give notice to redeem such Notes prior to the expiry of five years pursuant to Condition 6(b) if the Issuer, prior to giving notice, has available to it an equal amount of capital of at least equal Own Funds quality.

Claims of the Issuer are not permitted to be offset against repayment obligations of the Issuer under these Notes and no contractual collateral may be provided by the Issuer or a third person for the liabilities constituted by the Subordinated Notes constituting Subordinated Capital. No subsequent agreement may limit the subordination pursuant to this Condition 3(b) or amend the maturity of Subordinated Notes constituting Subordinated Capital.

- (iii) Subordinated Supplementary Capital pursuant to section 23, paragraphs 7 and 8 of the Austrian Banking Act.

*Subordinated Notes constituting Subordinated Supplementary Capital will have a minimum maturity of eight years. For the avoidance of doubt, Subordinated Supplementary Capital Notes combine certain terms and conditions of Supplementary Capital Notes and Subordinated Capital Notes and are aimed to be accountable (if the Issuer so decides) as Supplementary Capital for the first five years of their term and as Subordinated Capital for the remainder of their term.*

The Issuer may redeem the Notes prior to the expiry of a remaining maturity time of three years, provided that this was contractually agreed upon and the Issuer has, prior to giving notice, available to it an equal amount of capital of at least equal Own Funds quality.

Interest on Subordinated Notes constituting Subordinated Supplementary Capital is only payable if the payment of such interest is covered by the annual surplus (*Jahresüberschuss*) of the Issuer prior to any changes in the reserves of the Issuer (as shown on the Interest Payment Date in the most recent available, non-consolidated, determined annual accounts of the Issuer, prepared in accordance with the Austrian Enterprise Code (*Unternehmensgesetzbuch*) and the Act) (as determined by the managing board (*Vorstand*) of the Issuer). If the payment of interest is not payable in accordance with the foregoing, it will, unless specified hereon as non-cumulative, be deferred until the Issuer has sufficient surplus (as shown on the Interest Payment Date in the most recent available, non-consolidated, determined annual accounts of the Issuer, prepared in accordance with the Austrian Enterprise Code (*Unternehmensgesetzbuch*) and the Act) to pay the deferred interest payments ("Cumulative Subordinated Supplementary Capital").

Prior to the liquidation of the Issuer, Subordinated Notes constituting Subordinated Supplementary Capital may only be redeemed subject to the pro rata deduction from the principal outstanding on such Subordinated Notes of the net losses of the Issuer which have accrued since the issue date of such Subordinated Notes. Redemption of the principal amount of Subordinated Notes constituting Subordinated Supplementary Capital may therefore not occur before the annual accounts of the Issuer (non-consolidated, prepared in accordance with the Austrian Enterprise Code (*Unternehmensgesetzbuch*) and the Act) for all financial years since the issue date of such Subordinated Notes constituting Subordinated Supplementary Capital have been determined (as referred to in Section 125 of the Austrian Stock Corporation Act).

Claims of the Issuer are not permitted to be offset against repayment obligations of the Issuer and no contractual collateral may be provided by the Issuer or a third person for the liabilities constituted by the Subordinated Notes constituting Subordinated Supplementary Capital. No subsequent agreement may limit the subordination pursuant to this Condition 3(b) or amend the maturity of Subordinated Notes constituting Subordinated Supplementary Capital.

- (iv) Short-term Subordinated Capital pursuant to section 23, paragraph 8a of the Austrian Banking Act.

*Subordinated Notes constituting Short-term Subordinated Capital will have a minimum maturity of two years.*

Save as set out below, in case of undated Subordinated Notes constituting Short-term Subordinated Capital or where the Issuer or the Noteholders are granted a redemption right, a redemption shall only be permissible after the expiry of a notice period of two years. The Issuer may further redeem Subordinated Notes constituting Short-term Subordinated Capital after the expiry of two years without a notice period if it has, prior to such notice, available to it an equal amount of capital of at least equal Own Funds quality. The Issuer may give notice to redeem such Notes prior to the expiry of two years pursuant to Condition 6(b) if the Issuer, prior to giving notice, has available to it an equal amount of capital of at least equal Own Funds quality.

Payments of principal and/or interest in respect of Subordinated Notes constituting Short-term Subordinated Capital are only payable by the Issuer if the Own Funds of the Issuer which are accountable as Own Funds pursuant to the Austrian Banking Act would not thereby fall below 100% of the Own Funds requirements under section 22, paragraph 1, Nos. 1 to 5 of the Austrian Banking Act.

Claims of the Issuer are not permitted to be offset against repayment obligations of the Issuer and no contractual collateral may be provided by the Issuer or a third person for the liabilities constituted by the Subordinated Notes constituting Short-term Subordinated Capital. No subsequent agreement may limit the subordination pursuant to this Condition 3(b) or amend the maturity of Subordinated Notes constituting Subordinated Supplementary Capital.

**(c) Status of Tier 1 Notes**

The Tier 1 Notes (being those Notes which specify their status as Tier 1 Capital) and the Coupons relating to them constitute direct, unsecured and subordinated obligations of the Issuer and rank, and will rank, (i) senior to the Bank Share Capital

of the Issuer, (ii) *pari passu* without any preference among themselves and at least *pari passu* with all (if any) other present and future securities issued by the Issuer which rank *pari passu* with the Tier 1 Notes (pursuant to sec 24 para 2 No 5 and 6 of the Austrian Banking Act) and (iii) subordinated to all (if any) present and future senior and other unsubordinated and subordinated debt obligations of the Issuer (save for subordinated debt obligations which rank or are expressed to rank *pari passu* with the Tier 1 Notes).

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Issuer, the Tier 1 Noteholders will be entitled to receive repayment in respect of each Tier 1 Note before any distribution is made to holders of Bank Share Capital or any other securities of the Issuer ranking junior to the Tier 1 Notes, but such entitlement will rank equally with the entitlement of the holders of all Parity Securities, if any, of the Issuer and senior to the Issuer's Bank Share Capital.

**(d) Status of Pfandbriefe (Mortgage Bonds), Kommunalschuldverschreibungen (Öffentliche Pfandbriefe) (Public-Sector Covered Bonds) and Covered Bonds**

(i) *Pfandbriefe* (Mortgage Bonds)

The *Pfandbriefe* (Mortgage Bonds) (being Notes which are specified as such) constitute direct, unconditional and unsubordinated obligations of the Issuer and rank *pari passu* among themselves.

*Pfandbriefe* (Mortgage Bonds) are secured by a separated pool of cover assets comprising, among certain other eligible items, first ranking mortgages over Austrian real estate and over certain real estate located in other Member States of the European Economic Area and Switzerland as well as hedging contracts (derivative contracts) entered into in order to decrease future interest, currency or creditor risks. The cover assets for *Pfandbriefe* (Mortgage Bonds) are listed in the mortgage register (*Hypothekenregister*) which is kept by the Issuer pursuant to the Austrian Act on Mortgage Banks (*Hypothekenbankgesetz*). The total nominal amount of the issued *Pfandbriefe* (Mortgage Bonds) shall at any time be covered by mortgages (or other eligible assets) of at least equal amount and equal interest revenue plus a safety margin of at least 2% of the issued *Pfandbriefe* (Mortgage Bonds). Additionally, the Articles of Association of the Issuer provide that the present value (*Barwert*) of the outstanding *Pfandbriefe* (Mortgage Bonds) shall be covered at any time by eligible assets.

*Pfandbriefe* (Mortgage Bonds) are eligible investments for minors (*Mündelgeld*) pursuant to section 230b No 3 of the Austrian General Civil Code. The Issuer intends to apply to include the *Pfandbriefe* (Mortgage Bonds) in the category 1 register of the European Central Bank.

(ii) *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds)

The *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) (being Notes which are specified as such) constitute direct, unconditional and unsubordinated obligations of the Issuer and rank *pari passu* among themselves.

*Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) are secured by a separated pool of cover assets comprising, among certain other eligible items, loan claims against, or debt securities issued or guaranteed by, Austrian government entities or against other Member States of the European Economic Area or Switzerland or their

regional governments and government entities for which the competent authorities pursuant to Art 43 sec 1 lit b No 5 of the Directive 2000/12/EC have fixed a risk weighting of not more than 20%, or by claims benefiting from a guarantee granted by one of these government entities as well as hedging contracts (derivative contracts) entered into in order to decrease future interest, currency or creditor risks. The cover assets for *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) are listed in the relevant register which is kept by the Issuer pursuant to the Austrian Act on Mortgage Banks (*Hypothekbankgesetz*). The total amount of the issued *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) shall at any time be covered by eligible assets of at least equal amount and equal interest revenue plus a safety margin of at least 2% of the issued *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds). Additionally, the Articles of Association of the Issuer provide that the present value (*Barwert*) of the outstanding *Pfandbriefe* (Mortgage Bonds) shall be covered at any time by eligible assets.

*Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) are eligible investments for minors (Mündelgeld) pursuant to section 230b No 3 of the Austrian General Civil Code. The Issuer intends to apply to include the *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) in the category 1 register of the European Central Bank.

(iii) Covered Bonds (*Fundierte Bankschuldverschreibungen*)

The Covered Bonds (being Notes which are specified as such) constitute direct, unconditional and unsubordinated obligations of the Issuer and rank *pari passu* among themselves.

Covered Bonds are secured by a separated pool of cover assets which are designated to cover the Notes pursuant to the Austrian Law on Covered Bank Bonds (*Gesetz über fundierte Bankschuldverschreibungen*). Eligible items for Covered Bonds comprise claims and securities that are suitable for the investment of assets of minors, claims and securities secured by a mortgage registered in a public register, claims against, or debt securities issued or guaranteed by, Austrian government entities or other Member States of the European Economic Area or Switzerland or their regional governments or governmental entities for which the competent authorities pursuant to Art 43 sec 1 lit b No 5 of the Directive 2000/12/EC have fixed a risk weighting of not more than 20%, or by claims benefiting from a guarantee granted by one of these governmental entities, as well as hedging contracts (derivative contracts) concluded in order to decrease future interest, currency or creditor risks. The cover assets for Covered Bonds are listed in the relevant register which is kept by the Issuer pursuant to the Law on Covered Bank Bonds. The eligible assets shall at any time cover at least the redemption amount and the interest of the issued Covered Bonds as well as the prospective administrative costs in case of a bankruptcy of the Issuer. Additionally, the Articles of Association of the Issuer provide that the net present value (*Barwert*) of the outstanding Covered Bonds shall be covered at any time by eligible assets plus a safety margin of at least 2% of the present value of the issued Covered Bonds. The Issuer intends to apply to include the Covered Bonds in the category 1 register of the European Central Bank.

#### 4 Negative Pledge

So long as any of the Senior Notes, Receipts or Coupons remains outstanding (as defined in the Agency Agreement):

- (i) the Issuer will not, and will ensure that none of its Core Subsidiaries (as defined in Condition 10) will, create or permit to subsist any mortgage, charge, pledge or other security interest upon the whole or any part of its property or assets, present or future, to secure for the benefit of the holders of any External Indebtedness (as defined below) (i) payment of such External Indebtedness, (ii) any payment under any guarantee of such External Indebtedness, or (iii) any payment under any indemnity relating to such External Indebtedness; and
- (ii) the Issuer will not, and will use reasonable endeavours to ensure that none of its Haftungsverbund Subsidiaries (as defined in Condition 10) will, create or permit to subsist any mortgage, charge, pledge or other security interest upon the whole or any part of its property or assets, present or future, to secure for the benefit of the holders of any Core Group External Indebtedness (as defined below) (i) payment of such Core Group External Indebtedness, (ii) any payment under any guarantee of such Core Group External Indebtedness, or (iii) any payment under any indemnity relating to such Core Group External Indebtedness, without in any such case at the same time according to the Senior Notes, Receipts and Coupons (unless it has been already so accorded) the same security as is created or subsisting to secure such External Indebtedness, Core Group External Indebtedness, guarantee or indemnity or such other security as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders,

provided however that the restrictions listed in (i) and (ii) above shall not apply to *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds), Covered Bonds or Asset Backed Finance and comparable instruments, including, but not limited to, Czech, Slovak and Romanian mortgage bonds, issued by the Issuer and/or any Subsidiary as created from time to time by Austrian or any other applicable law or permitted by the Austrian Financial Markets Authority or any other competent supervision authority.

"*Asset Backed Finance*" means External Indebtedness secured by a security (and any security created in substitution for any such security) in the form of any mortgage, charge, pledge or other form of encumbrance or security interest (whether or not also securing other indebtedness or obligations) relating to any securitisation, financing or refinancing of, or the acquisition of, any specified asset or assets, but only to the extent that such security is taken over such specified assets that are being financed or acquired and the recourse of the person making the External Indebtedness available or entering into the relevant arrangement or agreement(s), is limited to such specified assets.

"*Core Group External Indebtedness*" means any present or future indebtedness of the Issuer or any of its Core Subsidiaries in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which are for the time being, or are capable of being, quoted, listed or ordinarily dealt in any stock exchange or over-the-counter or other securities market.

"*External Indebtedness*" means any present or future indebtedness in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange or over-the-counter or other securities market.

## 5 Interest and other Calculations

### (a) *Interest Rate and Accrual*

Subject to Condition 5(c), each Note bears interest on its outstanding principal amount from, and including, the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Interest Rate, such interest being payable in arrear on each Interest Payment Date.

Interest shall cease to accrue on each Note on, but excluding, the due date for redemption (if any) unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Interest Rate in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

### (b) *Interest Rate on Floating Rate Notes and Index-linked Interest Notes*

- (i) Interest Payment Dates: Subject to Condition 5(c), each Floating Rate Note and Index-linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Interest Rate, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
- (ii) Business Day Convention: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is:
  - (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment;
  - (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day;
  - (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day;  
or
  - (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) Interest Rate for Floating Rate Notes: The Interest Rate in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA

Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "ISDA Rate" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon
- (y) the Designated Maturity is a period specified hereon and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), "Floating Rate, Calculation Agent, Floating Rate Option, Designated Maturity, Reset Date" and "Swap Transaction" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

(x) Where Screen Rate Determination is specified hereon as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations, (expressed as a percentage rate per annum) for the Reference Rate(s) which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Interest Rate in respect of such Notes will be determined as provided in the applicable Final Terms.



- (y) If the Relevant Screen Page is not available or if, subparagraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if subparagraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Eurozone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Interest Rate for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent.
- (z) If paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Interest Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Interest Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Interest Rate shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Interest Rate is to be applied to the relevant Interest Accrual Period from that

which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Interest Rate relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Interest Rate relating to that last preceding Interest Accrual Period).

- (iv) Interest Rate for Index-linked Interest Notes: The Interest Rate in respect of Index-linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified in the relevant Final Terms.

For a description of certain risks relating to an investment in such Notes, see "Risk Factors - Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme - Index-linked Notes" and the relevant Final Terms.

**(c) Tier 1 Notes - Non-cumulative Interest Payments**

- (i) Interest Payments on Tier 1 Notes will be non-cumulative and will be deemed to accrue on a day by day basis. Interest on Tier 1 Notes will be paid by the Issuer provided, however, that the Issuer will not be obliged to make Interest Payments during any fiscal year:

- (A) to the extent that the aggregate of such Interest Payments, together with:

- (aa) any Interest Payments (including any additional amounts (as described in Condition 8) in respect thereof) previously paid by the Issuer in respect of the Tier 1 Notes in the then current fiscal year;
- (bb) any distributions or other payments previously made on Parity Securities in the then current fiscal year; and
- (cc) any distributions or other payments proposed or, in the reasonable determination of the Issuer, reasonably likely to be made on Parity Securities in the then current fiscal year,

would exceed Distributable Funds,

or even if sufficient Distributable Funds are available, to the extent that, (i) if the managing board of the Issuer has resolved that, in accordance with applicable Austrian banking regulations affecting banks which fail to meet their capital ratios pursuant to the Act, the Issuer would be limited in making such payments on Parity Securities or (ii) there is in effect an order of the Financial Market Authority (or any other relevant regulatory authority) prohibiting the Issuer from making any distribution of profits.

- (B) Subject to Condition 5(c)(ii) below, the Issuer may also, at its sole discretion, elect not to make Interest Payments on the Tier 1 Notes (the "Optional Non-Payment Right").

- (ii) Notwithstanding Condition 5(c)(i)(B) above, but at all times subject to Condition 5(c)(i)(A) above, the Issuer will make Interest Payments as specified below if it or any Issuing Vehicle:

- (A) declares or pays any dividends or interest or makes any other payment or other distribution on any Interest Parity Securities (other than as a result of this provision or a provision of substantially similar effect in any Interest Parity Securities being triggered by this provision) and the dividend or interest payment or other payment or distribution on such Interest Parity Securities was the full stated amount payable on such Interest Parity Securities. Interest Payments will in these circumstances be made in full on each Interest Payment Date falling in the six month period commencing on the date on which such dividend or interest payment or other payment or other distribution was declared or made on such Interest Parity Securities. If the dividend or interest payment or other payment or distribution on such Interest Parity Securities was only a partial payment of the amount so owing, the Interest Payment(s) payable in such six month period will be reduced proportionally;
  - (B) declares or pays any dividend or interest or makes any other payment or other distribution on any Junior Securities other than to other Group Companies. Interest Payments will in these circumstances be made in full on each Interest Payment Date falling in the six month period commencing on the date on which such dividend or interest payment or other payment or other distribution was declared or made on such Junior Securities;
  - (C) redeems, repurchases or otherwise acquires any Parity Securities or Junior Securities for any consideration except by way of replacement by, conversion into, or exchange for shares of common stock of the Issuer or, except where any such redemption, repurchase or acquisition is funded, directly or indirectly, by the issue of shares of common stock or unless such Parity Securities or Junior Securities are redeemed, repurchased or otherwise acquired (i) by the Issuer in the ordinary course of its investment banking or trading activities or (ii) in order to fulfil its obligations under stock option or employee stock ownership schemes, in each case as permitted by the Austrian Stock Corporations Act (*Aktiengesetz*). Interest Payments will in these circumstances be made in full on each Interest Payment Date falling in the six month period commencing on the date on which such redemption, repurchase or other acquisition occurred.
- (iii) If the Issuer does not pay Interest in respect of the Tier 1 Notes in any Interest Period then, subject to the provisions of this Condition 5(c), the right of Tier 1 Noteholders to receive Interest in respect of the Interest Period ending on the relevant Interest Payment Date will be extinguished and the Issuer will have no obligation, and does not intend, to pay Interest accrued for such Interest Period or to pay any Interest thereon, whether or not Interest on the Tier 1 Notes is paid for any future Interest Period.
  - (iv) When, by reason of any limitation described in this Condition 5(c), Interest is not paid in full on the Tier 1 Notes and any Parity Securities, all Interest payable upon the Tier 1 Notes and any dividends, interest or other distributions on such Parity Securities will be payable pro rata in the proportion that the amounts available for payment on the Tier 1 Notes and any such Parity Securities on the due date of payment shall bear to the full amount that would have been payable on the Tier 1 Notes and such Parity Securities but for such limitation, and any claims in respect of the difference between the full amount and the amount so payable shall be thereupon extinguished. If Interest is not paid in full in accordance with the foregoing, the Tier 1 Noteholders will be notified in accordance with Condition 14.

- (v) Other than during a time of Financial Distress, the Issuer will not issue any preferred securities or preference shares or other securities, (i) which rank senior to its obligations under the Tier 1 Notes and (ii) which, in any such case, constitutes, or is capable of constituting, Tier 1 Capital or enter into any support agreement or give any guarantee in respect of any preferred securities or preference shares or other securities issued by any Subsidiary of the Issuer or any special purpose vehicle or protected cell company and which, in any such case, constitutes, or is capable of constituting, Tier 1 Capital if such support agreement or guarantee (including, without limitation, any support agreement or guarantee that would provide a priority of payment with respect to Distributable Funds) would rank senior to the Tier 1 Notes unless, in each case, (a) the terms and conditions of the Tier 1 Notes are changed to give the Noteholders such rights and entitlements as are contained in or attached to such preferred securities or such preference shares or such other securities or such other support agreement or guarantee so that the Tier 1 Notes rank pari passu with, and contains substantially equivalent rights of priority as to payment out of Distributable Funds as, any such preferred securities or preference shares or other securities or other support agreement or guarantee and (b) the most recent Interest Payment has been paid in full by the Issuer. "Financial Distress" means that the statutory minimum own funds ratio (*Eigenmittelquote*) of the Issuer (on a consolidated or single entity basis) and/or, if so required by the FMA, of any member of the Issuer's credit institutions group (*Kreditinstitutsgruppe*) has, in the opinion of the FMA, been breached.
- (vi) The Issuer undertakes that Parity Securities or Junior Securities will not be redeemed or otherwise acquired for any consideration (or any moneys be paid to or made available for a sinking fund for the redemption of any such securities) by the Issuer or any Subsidiary (except by conversion into or in exchange for shares of the Issuer ranking junior to the obligations of the Issuer under Tier 1 Notes) at any time whilst the Issuer is unable to pay Interest Payments in full until such time as the Issuer shall have resumed the payment of, or effectively set aside payment with respect to, full Interest Payments on all outstanding Tier 1 Notes for six months, unless such Parity Securities or Junior Securities are repurchased or otherwise acquired (i) as a result of the trading of the Issuer in such shares in its ordinary course of business as permitted by the Austrian Stock Corporations Act, or (ii) in order to fulfil its obligations under stock option or employee stock ownership schemes as permitted by the Austrian Stock Corporations Act.

**(d) Interest Rate on Zero Coupon Notes**

Where a Note the Interest Rate of which is specified hereon to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Interest Rate for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(a)(v)(B) ).

**(e) Dual Currency Notes**

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.

**(f) Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.

**(g) Accrual of Interest**

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Interest Rate in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

**(h) Interest on Equity-linked Notes, Fund-linked Notes, Credit-linked Notes, Commodity-linked Notes, Future-linked Notes and other Notes**

In the case of Equity-linked Notes, Fund-linked Notes, Credit-linked Notes, Commodity-linked Notes, Future-linked Notes or other Notes, the Rate of Interest or amount of interest payable in respect of each Interest Accrual Period or Interest Payment Date, as the case may be, shall be determined by reference to an Underlying Equity or Fund or Commodity or Future Contract or a Basket of Underlying Equities or Funds or Commodities or Future Contracts or Formulae in the manner specified in the relevant Final Terms.

In the case of Credit-linked Notes, interest shall accrue in the manner provided in the Final Terms. In particular, it may be specified in the Final Terms that the accrual of interest ceases or is reduced upon the occurrence of one or more Credit Events and that the 2003 ISDA Credit Derivatives Definitions, which are published from time to time by the International Swaps and Derivatives Association Inc. shall be an integral supplemental part thereof.

*For a description of certain risks relating to an investment in such Notes, see "Risk Factors – Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme – Equity-linked Notes / Fund-linked Notes / Credit-linked Notes / Commodity-linked Notes/ Future-linked Notes / Notes Linked to Hedge Funds", the Summary, and the relevant Final Terms.*

**(i) Margin, Maximum/Minimum Interest Rates, Instalment Amounts and Redemption Amounts and Rounding**

- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Interest Rates, in the case of (x), or the Interest Rates for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (d) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin subject always to the next paragraph.
- (ii) If any Maximum or Minimum Interest Rate, Instalment Amount or Redemption Amount is specified hereon, then any Interest Rate, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) Subject to the requirements of applicable law, for the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be

rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up). For these purposes unit means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country(ies) of such currency and, with respect to euro, means 0.01 euro.

**(j) Calculations**

If an Interest Amount (or a formula for its calculation) is specified for any period, the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). If no Interest Amount (or no such formula) is so specified, save as otherwise provided in the applicable Final Terms and except in the case of Definitive Notes where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, the amount of interest payable in respect of any Note for any such period shall be calculated by applying the Interest Rate to (i) in the case of Global Notes, the aggregate outstanding nominal amount of the Notes represented by such Global Note and dividing such amount by the number of Notes represented by such Global Note; or (ii) in the case of Definitive Notes, the Calculation Amount, as specified in the applicable Final Terms, and in each case multiplying such sum by the applicable Day Count Fraction and rounding the resultant figure to the nearest Sub-unit of the relevant Specified Currency, half of any such Sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Definitive Note comprises more than one Calculation Amount, the amounts of interest payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

**(k) Determination and Publication of Interest Rates, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts**

As soon as practicable on each Interest Determination Date or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the amount of interest payable (the "Interest Amount") in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Interest Rate and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of an Interest Rate and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest

Payment Date or Interest Period is subject to adjustment pursuant to Condition 5(b), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Interest Rate or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

**(I) Definitions**

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"Act" means the Austrian Banking Act 1993, as amended.

"Bank Share Capital" means the ordinary shares of the Issuer, together with all other securities issued by the Issuer (including *Vorzugsaktien*), ranking *pari passu* with the ordinary shares of the Issuer as to participation in a liquidation surplus.

"Business Day" means:

- (i) in the case of a specified currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre; and/or
- (ii) in the case of euro, a day on which the TARGET System is open for the settlement of payments in euro (a "TARGET Business Day"); and/or
- (iii) in the case of a specified currency and/or one or more specified financial centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the specified currency or, if none is specified, generally in each of the financial centres so specified.

"Capital Call Redemption Amount" means the amount specified as such hereon.

"Credit Institute Group" means all companies consolidated with the Issuer pursuant to Sec. 30 of the Act.

"Day Count Fraction" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the "Calculation Period"):

- (i) if "*Actual/365* or *Actual/Actual - ISDA*" is specified hereon, 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 (x) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (y) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if "*Actual/365 (Fixed)*" is specified hereon, the actual number of days in the Calculation Period divided by 365;

- (iii) if "*Actual/360*" is specified hereon, the actual number of days in the Calculation Period divided by 360;
- (iv) if "*30/360*", "*360/360*" or "*Bond Basis*" is specified hereon, 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 12 30-day months (unless (a) the last day of the Calculation Period is the 31 day of a month but the first day of the Calculation Period is a day other than the 30 or 31 day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month));
- (v) if "*30E/360*" or "*Eurobond Basis*" is specified hereon, 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 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month); and
- (vi) if "*Actual/Actual - ICMA*" is specified hereon,
  - (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
  - (b) if the Calculation Period is longer than one Determination Period, the sum of: (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

"Determination Period" means the period from and including an Interest Determination Date in any year to but excluding the next Interest Determination Date.

"Distributable Funds" means, in respect of each fiscal year of the Issuer, the aggregate amount, as shown on the Interest Payment Date in the most recent available, non-consolidated, determined annual accounts of the Issuer (prepared in accordance with the Austrian Enterprise Code (*Unternehmensgesetzbuch*) and the Act), of accumulated retained earnings and surpluses after allocations from and to reserves (balance sheet profit; *Bilanzgewinn*) of the Issuer capable under the companies laws of Austria of being available for distribution to holders of Bank Share Capital, but before deduction of the amount of any dividend or other distribution declared on Bank Share Capital in respect of such fiscal year.

"Effective Date" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such hereon or, if none is so



specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

"Euro-zone" means the region comprising member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

"Interest Accrual Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

"Interest Commencement Date" means the Issue Date or such other date as may be specified hereon.

"Interest Determination Date" means, with respect to an Interest Rate and Interest Accrual Period: (i) the date specified as such hereon or, if none is so specified, the first day of such Interest Accrual Period if the Relevant Currency is Sterling or (ii) the day falling two Business Days in the relevant Business Centre for the Relevant Currency prior to the first day of such Interest Accrual Period if the Relevant Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Relevant Currency is euro.

"Interest Parity Securities" means any preferred security or preference share or other security (a) issued by the Issuer and ranking *pari passu* as to payment of dividends, interest or distributions with its obligations under the Tier 1 Notes, or (b) issued by any Issuing Vehicle, which in both cases includes an Optional Non-Payment Right or equivalent such right.

"Interest Payment" means, in respect of an Interest Payment Date, the aggregate Interest Amounts for the Interest Period ending on such Interest Payment Date;

"Interest Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"Interest Period Date" means each Interest Payment Date unless otherwise specified hereon.

"Interest Rate" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

"ISDA Definitions" means the 2000 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified.

"Issuing Vehicle" means any Subsidiary or any special purpose vehicle or protected cell company which issues securities which are entitled to the benefit of a guarantee or support agreement (which shall, for the avoidance of doubt, not be a dividend guarantee or guarantee of a minimum interest payment pursuant to sec 24 para 2 No 5 lit f of the Austrian Banking Act) from the Issuer ranking *pari passu* as to payment of dividends, interest or other distributions with the Issuer's obligations under the Tier 1 Notes.

"Junior Securities" means Bank Share Capital and any other security or instrument issued by any member of the Erste Group ranking or expressed to rank junior to the

Parity Securities (either issued by any Subsidiary, any special purpose vehicle or protected cell company) and entitled to take the benefit of a guarantee or support agreement ranking or expressed to rank junior to the obligations of the Issuer under the Tier 1 Notes.

"Number of Calculation Periods" means the number of Calculation Periods normally ending in any year.

"Optional Redemption Amount" means the amount specified as such hereon.

"Own Funds" means *Eigenmittel* as specified in Sec. 23 of the Act.

"Parity Security" means any security (i) issued by the Issuer and ranking *pari passu* as to payment of interest, dividends or distributions with its obligations under the Tier 1 Notes or (ii) issued by an Issuing Vehicle.

"Primary Source" means the source for the calculation of interest payable in respect of Floating Rate Notes.

"Redemption Date" means any date designated for the optional redemption, the redemption for tax reasons or the redemption for capital reasons of the Notes pursuant to Condition 6.

"Reference Banks" means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent or as specified hereon.

"Reference Rate" means the rate specified as such hereon.

"Relevant Currency" means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

"Relevant Screen Page" means such page, section, caption, column or other part of a particular information service as may be specified hereon.

"Sub-unit" means, with respect to any currency, the lowest amount of such currency that is available as legal tender in the country of such currency.

"TARGET System" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) payment system which utilises a single shared platform and which was launched on 19 November 2007 (TARGET2) or any successor thereto.

"Tax Call Redemption Amount" means the amount specified as such hereon.

"Tier 1 Capital" means hybrid Tier 1 Capital (*hybrides Kapital*) provided for in Sec. 24 of the Act as in force from time to time.

**(m) Calculation Agent**

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling

to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (in the case of International Notes acting through its principal London office or any other office actively involved in such market and in the case of Domestic Notes, acting through its principal office in Vienna) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

**(n) Certificates to be final**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Calculation Agent, the Fiscal Agent, the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Calculation Agent or the Fiscal Agent in connection with the exercise or non-exercise by them of their powers, duties and discretions pursuant to such provisions.

**6 Redemption, Purchase and Options**

Conditions 6(a) to (d) inclusive do not apply to Tier 1 Notes.

**(a) Redemption by Instalments and Final Redemption**

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6 or the relevant Instalment Date (being one of the dates so specified hereon) is extended pursuant to any Issuer's or Noteholders' option in accordance with Condition 6(c) or 6(d), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding principal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the principal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any Issuer's or Noteholders' option in accordance with Condition 6(c) or 6(d), each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its principal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount, with the exception that the redemption of Subordinated Notes constituting Supplementary Capital or Subordinated Notes constituting Subordinated Supplementary Capital may be delayed until the annual accounts of the Issuer for the relevant financial year(s) have been determined (as referred to in section 125 of the Austrian Stock Corporation Act), pursuant to Conditions 3(b)(i) or 3(b)(iii), as the case may be.

- (iii) Equity-linked Notes, Fund-linked Notes, Credit-linked Notes, Commodity-linked Notes, Future-linked Notes and other Notes are redeemed as specified in the applicable Final Terms. In the case of Credit-linked Notes, the Final Terms may refer to and specify that the 2003 ISDA Credit Derivatives Definitions, which are published from time to time by the International Swaps and Derivatives Association Inc., shall be an integral supplemental part thereof.

*For a description of certain risks relating to an investment in such Notes, see "Risk Factors – Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme – Equity-linked Notes / Fund-linked Notes / Credit-linked Notes / Commodity-linked Notes / Future-linked Notes / Notes Linked to Hedge Funds", the Summary, and the relevant Final Terms.*

- (iv) Redemption of Reverse Convertible Notes ("Cash-or-Share Notes", "Cash-or-Fund Notes", "Cash-or-Commodity Notes", "Cash-or-Currency Notes", "Cash-or-Future Notes")

- (A) Domestic Notes which are named as "Reverse Convertible Notes", "Cash-or-Share Notes", "Cash-or-Fund Notes", "Cash-or-Commodity Notes" or "Cash-or-Currency Notes" or "Cash-or-Future Notes" or similar shall, unless previously redeemed or redeemed on the Maturity Date at the option of the Issuer either (i) by payment of the Final Redemption Amount (which, unless otherwise provided, is its principal amount) or, (ii) by a) physical delivery of a certain amount of Underlyings as specified in the Final Terms for each Note, and b) payment of an additional settlement amount if required due to the denomination or delivered amount of Underlyings to (or to the order of) the Noteholders, all in accordance with these Conditions and the Final Terms.

"Underlying" means the underlying specified in the Final Terms, in particular shares (listed or unlisted), units in funds (listed or unlisted), commodities, currencies, future contracts or other underlyings, as well as baskets of underlyings which, if the Issuer elects to do so, may be described in more detail in an annex attached to the Final Terms.

- (B) The Issuer shall exercise its option to elect the manner of redemption at the Exercise Date specified in the Final Terms. The Issuer shall not be required to make a separate notification about the manner of redemption elected by the Issuer.
- (C) In case a Market Disruption occurs on the Exercise Date, the Exercise Date and, if applicable, the Maturity Date (irrespective of any interest accrual) shall be deferred until such date on which the Market Disruption has ceased to exist or the Issuer is in a position to determine a fair price for the Underlyings.

"Market Disruption" means:

- (i) in case of Notes the Underlying of which are shares, a) if the shares are listed, a temporary suspension or material limitation of trading in such shares on the relevant securities exchange specified in the Final Terms and/or the relevant options exchange (which, if not specified otherwise, shall be the securities exchange and/or option exchange on which

such shares and/or options relating thereto are traded on the Issue Date) if such suspension or limitation occurs or continues to exist in the hour prior to the point in time when calculation of the closing price of the shares is usually effected. A limitation of the hours or number of days on which trading takes place shall not constitute a market disruption if the limitation is based on a previously announced change at the relevant securities exchange and/or options exchange. A limitation which occurs in the course of a day due to movements of prices exceeding certain predetermined thresholds shall only constitute a market disruption if such limitation continues to exist until the end of the trading session on the respective day, or b) any other event specified in the Final Terms.

- (ii) in case of Notes the Underlying of which are units in funds, a) if the fund units are listed, a temporary suspension or material limitation of trading in such fund units on the relevant securities exchange specified in the Final Terms, if such suspension or limitation occurs or continues to exist in the hour prior to the point in time when calculation of the closing price of the shares is usually effected. A limitation of the hours or number of days on which trading takes place shall not constitute a market disruption if the limitation is based on a previously announced change at the relevant securities exchange. A limitation which occurs in the course of a day due to movements of prices exceeding certain predetermined thresholds shall only constitute a market disruption if such limitation continues to exist until the end of the trading session on the respective day, b) a net asset value for the fund units is not published or a determination of the net asset value is not possible for other reasons, c) the fund units may not be redeemed or returned in a similar procedure to the fund, or d) any other event specified in the Final Terms.
- (iii) in case of Notes the Underlying of which are commodities, a) if the commodities are traded on an exchange, a temporary suspension or material limitation of trading in such commodities or the calculation and publication of the respective price of the commodities on the relevant exchange specified in the Final Terms and/or the relevant options exchange (which, if not specified otherwise, shall be such exchange and/or option exchange on which such commodities and/or options relating thereto are traded on the Issue Date), if such suspension or limitation occurs or continues to exist in the hour prior to the point in time when calculation of the closing price of the shares is usually effected. A limitation of the hours or number of days on which trading takes place shall not constitute a market disruption if the limitation is based on a previously announced change at the relevant exchange and/or options exchange. A limitation which occurs in the course of a day due to movements of prices exceeding certain predetermined thresholds shall only constitute a market disruption if such limitation continues to exist until the end of the trading session on the respective day, b) a price of the commodities is not published or a determination of the price is not possible for other reasons, or c) any other event specified in the Final Terms.

- (iv) in case of Notes the Underlying of which are other underlyings than the underlyings listed above, any market disruption event specified in the Final Terms.

The Issuer shall endeavour in all these cases to notify the Noteholders without undue delay as soon as a market disruption has occurred. The Issuer shall not have an obligation to make such notification. The Issuer does accept any liability for the activities of the relevant securities exchange, relevant exchange and relevant options exchange in particular not for the accuracy, completeness, continuity and lasting calculation of the prices, values or net asset values of the Underlyings.

- (D) If during the term of the Notes the Noteholders experience a material change of their economic position due to the occurrence of an Adjustment Event, the Issuer shall take measures, to the extent possible, in order to put the Noteholders in the same economic positions as they would be without such Adjustment Event having occurred. The Issuer shall, to the extent possible, implement adjustment measures which are aligned to the measures taken by the relevant securities exchange, relevant exchange and/or relevant options exchange in connection with such Adjustment Event.

"Adjustment Event" means:

- (i) In case of Notes the Underlying of which are shares, capital measures, e.g. capital increases, issues of securities with option or conversion rights relating to shares, distributions of extraordinary dividends, share splits, spin-offs, nationalisations, takeover by another entity, fusions and other events the results of which are comparable from an economic point of view with the previously listed events, as well as any other event specified in the Final Terms. A Noteholder shall not be entitled to receive a repayment at par nor any shares or a settlement amount, if the company that issued the shares which may be used to redeem the Notes does not exist anymore on the Maturity Date (in particular due to bankruptcy or liquidation). A discontinuation of the listing of the shares shall have no impact on the obligations between Issuer and Noteholders.
- (ii) In case of Notes the Underlying of which are fund units, changes in the composition and/or weighting of the individual values of the fund or of the funds comprised by a basket of funds which require an adjustment of the funds or the funds comprised by a basket of funds, if in the determination of the Issuer, the basis or the calculation manner have been changed in such a material way that the continuity or the comparability with the fund as calculated on the old basis is not given anymore and such adjustment can be implemented by taking into account the applicable statutory rules, market conditions and market standards as well as settlement requirements, and any other event specified in the Final Terms.
- (iii) In case of Notes the Underlying of which are commodities or currencies, any event specified in the Final Terms.

(E) Early Redemption

- (i) In case of Notes the Underlying of which are fund units: If the fund or one or more of the funds comprised by a funds basket is not available anymore or if a reasonable adjustment to changes occurred is not possible due to other reasons, or if other events specified in the Final Terms have occurred, the Issuer shall be entitled, but not obliged, to redeem the Notes upon four Business Days' notice at an appropriate value. Such redemption shall be effective upon publication pursuant to Condition 14.
- (ii) In case of Notes with Underlyings other than fund units: If a reasonable adjustment to the changes occurred is not possible due to whatever reason, or if other events specified in the Final Terms have occurred, the Issuer shall be entitled, but not obliged, to redeem the Notes upon four Business Days' notice at an appropriate value. Such redemption shall be effective upon publication pursuant to Condition 14.

(v) Zero Coupon Notes

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(b) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note, unless otherwise specified hereon.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually. Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(b) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the reference therein to the date on which the Note becomes due and payable were replaced by a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

- (vi) Other Notes: The Early Redemption Amount payable in respect of any Note (other than Zero Coupon Notes described above), upon redemption of such

Note pursuant to Condition 6(b) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.

**(b) Redemption for Taxation Reasons**

If, as a result of any amendment to or change in the laws or regulations of Austria or of any political subdivision thereof or any authority therein or thereof having power to tax or any change in the official or generally accepted interpretation or application of such laws or regulations which becomes effective on or after the Issue Date (in the case of a non-syndicated Series) or the signing date (in the case of a syndicated Series), as the case may be, the Issuer has or will become obliged to pay any additional amounts as described in Condition 8 (and such amendment or change has been evidenced by the delivery by the Issuer to the Fiscal Agent (who shall accept such certificate and opinion as sufficient evidence thereof) of (i) a certificate signed by two authorised signatories of the Issuer on behalf of the Issuer stating that such amendment or change has occurred (irrespective of whether such amendment or change is then effective), describing the facts leading thereto and stating that such requirement cannot be avoided by the Issuer taking reasonable measures available to it and (ii) an opinion of independent legal advisers of recognised standing to the effect that such amendment or change has occurred (irrespective of whether such amendment or change is then effective)) on any Interest Payment Date (if this Note is either a Floating Rate Note or Index-Linked Note), or, at any time (if this Note is neither a Floating Rate Note or Index-Linked Note), the Issuer may (having given not less than 30 nor more than 90 days' irrevocable notice to the Noteholders and to the holders in accordance with Condition 14) redeem all, but not some only, of the Notes (other than Notes in respect of which the Issuer shall have given a notice of redemption pursuant to Condition 6(c) or an Exercise Notice in accordance with Condition 6(d), prior to any notice being given under this Condition 6(b)) at their Early Redemption Amount, together with accrued interest to the date fixed for such redemption, provided that (i) no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be required to pay such additional amounts were a payment in respect of the Note then due and (ii) in the case of Subordinated Notes, the Issuer has available to it a corresponding amount of capital of the same amount and at least equal Own Funds quality and (iii) in case of Supplementary Capital Notes and Subordinated Supplementary Capital Notes, no redemption pursuant to this Condition 6(b) shall be permissible.

**(c) Redemption at the Option of the Issuer**

If so provided hereon, the Issuer may, on giving irrevocable notice to the Noteholders falling within the Issuer's Option Period redeem all or, if so provided, some of the Notes (other than Notes in respect of which the Issuer shall have given a notice of redemption pursuant to Condition 6(b), prior to any notice being given under this Condition 6(c)) on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon. No such redemption shall be possible prior to the expiry of the minimum period that may be required for such Note in accordance with section 23 of the Austrian Banking Act.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.



In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practice, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements. So long as the Notes are listed on the Vienna Stock Exchange and/or the Luxembourg Stock Exchange and/or any other stock exchange and the Stock Exchange Act or rules of the relevant stock exchange so require, the Issuer shall notify such stock exchange of a partial redemption of Notes. In the case of a partial redemption of the Notes which are represented by a Global Certificate or Global Note, the relevant Notes will be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (in the case of International Notes) and/or, if any, OeKB (in the case of Domestic Notes) and if none, prevailing market practice.

**(d) Redemption at the Option of Noteholders**

If so provided hereon, the Issuer shall, at the option of the holder of such Note, redeem such Note on the date or dates so provided at its Optional Redemption Amount (as described in Part A of the relevant Final Terms) together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("Exercise Notice") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' Option Period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer, except that such Note or Certificate will be returned to the relevant Noteholder by the Paying Agent, the Registrar or Transfer Agent with which it has been deposited if, prior to the due date for its redemption or the exercise of the option, the Note becomes immediately due and payable or if upon due presentation payment of the redemption moneys is not made or exercise of the option is denied.

**(e) Redemption of Tier 1 Notes**

This Condition 6(e) applies only to Tier 1 Notes.

**(i) No Fixed Redemption Date**

Tier 1 Notes are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Condition 3 and without prejudice to the provisions of Condition 9) only have the right to repay them in accordance with the following provisions of this Condition 6(e).

**(ii) Redemption at the Option of the Issuer**

Unless the Issuer shall have given notice to redeem the Tier 1 Notes under Condition 6(e)(iii) on or prior to the expiration of the notice referred to below, if Call Option is specified hereon, the Issuer may, having given not less than 30 nor more than 60 Business Days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or, if so provided hereon, some of the Notes on any Optional Redemption Date (provided that such Optional Redemption Date is not prior to the expiry of five

years after the Issue Date). Upon the expiry of such notice, the Issuer shall be bound to redeem the Tier 1 Notes accordingly. Any such redemption of Tier 1 Notes shall be at their Optional Redemption Amount together with interest accrued in the then current Interest Period to (but excluding) the date fixed for redemption. Such Tier 1 Notes which are redeemed must be substituted by capital of equal or better quality (*Kapital gleicher oder besserer Qualität*), unless the Austrian Financial Market Authority determines that the Issuer and the Credit Institute Group have sufficient Own Funds required for an adequate risk coverage even after repayment of the Tier 1 Notes.

(iii) Redemption for Tax Reasons and for Capital Reasons

Notwithstanding the foregoing, the Tier 1 Notes will, subject as provided below, be redeemable in whole but not in part, at the option of the Issuer at any time or, if and for so long as this Tier 1 Note is a Floating Rate Note, on any Interest Payment Date if:

- (A) as a result of a change in law or regulation or the official or generally accepted interpretation thereof which becomes effective on or after the Issue Date of such Tier 1 Notes (in the case of a non-syndicated Series) or the signing date (in the case of a syndicated Series), as the case may be, the Issuer is or would be required to pay additional amounts (as described in Condition 8) and such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or
- (B) as a result of a change in law or regulation or in the official or generally accepted interpretation thereof which becomes effective on or after the Issue Date of such Tier 1 Notes (in the case of a non-syndicated Series) or the signing date (in the case of a syndicated Series), as the case may be, the ability of the Issuer under Austrian banking law to attribute Tier 1 Notes to Own Funds for Austrian capital adequacy purposes on a consolidated basis is changed to the detriment of the Issuer, provided that, if such an event occurs but the Issuer elects not to redeem the Notes, then the Optional Non-Payment Right shall cease to be applicable; or
- (C) as a result of a change in law or regulation or the official or generally accepted interpretation thereof which becomes effective on or after the Issue Date of such Tier 1 Notes (in the case of a non-syndicated Series) or the signing date (in the case of a syndicated Series), as the case may be, Interest Payments cease to be fully deductible as expenses for purposes of applicable income tax law;

and

- (D) the Issuer has delivered to the Fiscal Agent:
  - (aa) a certificate signed on behalf of the Issuer by two of its authorised representatives stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions relevant to the right of the Issuer so to redeem have occurred; and
  - (bb) with respect to any redemption pursuant to Condition 6(e)(iii)(A) only, an opinion of independent legal advisers, of recognised standing confirming that the event provided for in Condition 6(e)(iii)(A) has occurred and that the Issuer has or will become obliged to pay such additional amounts,

in each case upon not less than 30 and no more than 60 Business Days' notice to the Tier 1 Noteholders specifying the relevant Redemption Date (which notice shall be irrevocable), each to be redeemed at the Tax Call Redemption Amount (in the case of any Notes redeemed pursuant to Condition 6(e)(iii)(A) or Condition 6(e)(iii)(C)) or the Capital Call Redemption Amount (in the case of any Notes redeemed pursuant to Condition 6(e)(iii)(B)) on the specified Redemption Date, provided that in each case the Tier 1 Notes are substituted by capital of equal or better quality (*Kapital gleicher oder besserer Qualität*), unless the Austrian Financial Market Authority determines that the Issuer and the Credit Institute Group have sufficient Own Funds required for an adequate risk coverage even after repayment of the Notes. Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

Prior to liquidation of the Issuer, the net losses that have occurred during the term of Tier 1 Notes shall be deducted from the Optional Redemption Amount or the Tax Call Redemption Amount or the Capital Call Redemption Amount, as applicable, provided that a redemption of Tier 1 Notes according to this Condition 6(e) shall only be permissible if no such net loss would need to be deducted. "Net loss" shall be interpreted in accordance with sec 23 para 7 of the Austrian Banking Act.

**(f) Purchases**

The Issuer and any of its Subsidiaries (as defined below) may, to the extent permitted by applicable law, at any time purchase Notes in the ordinary course of their respective treasury business (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

**(g) Cancellation**

All Notes purchased by or on behalf of the Issuer or any of its Subsidiaries may, at the option of the Issuer, be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, may, at the option of the Issuer, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith) but not prior to the expiry of the minimum period that may be required for such Note in accordance with section 23 of the Austrian Banking Act. Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

References in these Conditions to "Redemption Amount" shall be deemed to include references to Final Redemption Amount, Early Redemption Amount and Optional Redemption Amount, as the context may require or permit.

## **7 Payments and Talons**

**(a) Bearer Notes**

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal

and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. Bank means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

**(b) Registered Notes**

- (i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made to the person shown on the Register, or, if so specified, to the order of such person against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in subparagraph (ii) below.
- (ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register or to its order at the close of business on the fifteenth day before the due date for payment thereof (the "Record Date"). Payments of interest on each Registered Note shall be made in the currency in which such payments are due by cheque drawn on a Bank and mailed to the holder (or the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date and subject as provided in paragraph (a) above, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.

**(c) Payments in the United States**

Notwithstanding the foregoing, if any Bearer Notes are denominated in US dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

**(d) Payments subject to Fiscal Laws**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

**(e) Appointment of Agents**

The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer for International Notes and their respective specified offices are listed below. With regard to Domestic Notes, Erste Group Bank AG will act as Paying Agent, Registrar, Transfer Agent and Calculation Agent. The Fiscal Agent, the Paying Agents, the Registrar, Transfer Agents and the

Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) Paying Agents having specified offices in at least two major European cities in relation to Notes other than Domestic Notes, and a Paying Agent in Vienna in relation to Domestic Notes, (vi) such other agents as may be required by the rules of any stock exchange on which the Notes may be listed or clearing system through which the Notes may be cleared and (vii) a Paying Agent with a specified office in a European member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with or introduced in order to conform to, such Directive.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in US dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders by the Issuer in accordance with Condition 14.

**(f) *Unmatured Coupons and Receipts and unexchanged Talons***

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index-linked Notes) should be surrendered for payment together with all unexpired Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Note or Index-linked Note unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexpired Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

- (v) Where any Bearer Note that provides that the unmatured Coupons related thereto are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

**(g) Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

**(h) Non-Business Days**

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "business day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as "Business Day Jurisdictions" hereon and:

- (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
- (ii) (in the case of a payment in euro) which is a TARGET Business Day.

**(i) Definition of the euro**

- (i) References in these conditions to the euro are to the currency which was introduced at the start of the third stage of European Economic and Monetary Union pursuant to Article 109(L) of the Treaty establishing the European Communities as amended by the Treaty on European Union (the "Treaty").
- (ii) Notes denominated in a currency that may be converted into euro, may be subject to redenomination, renominalisation, reconventioning and/or consolidation with other Notes then denominated in euro as specified in the relevant Final Terms.

## **8 Taxation**

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes, the Receipts and the Coupons shall be made free and clear of, and without

withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Austria or by any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts to the Noteholder or Couponholder as shall result in receipt by that Noteholder or Couponholder of such amounts as would have been received by it had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

**(a) Other connection**

to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of its having some connection with Austria other than the mere holding of the Note, Receipt or Coupon; or

**(b) Presentation more than 30 days after the Relevant Date**

presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day; or

**(c) Payment to individuals**

where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings or any law implementing or complying with, or introduced in order to conform to, such Directive; or

**(d) Payment by another Paying Agent**

(except in the case of Registered Notes) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent (or, in the case of the payment of principal in respect of Registered Notes, another Transfer Agent or if applicable, the Registrar) in a Member State of the European Union.

As used in these Conditions, "Relevant Date" in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) principal shall be deemed to include any premium payable in respect of the Notes, Optional Redemption Amount, Tax Call Redemption Amount or Capital Call Redemption Amount, all Instalment Amounts, Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) interest shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) principal and/or interest shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or the substitution for it.

## 9 Prescription

If English law is specified hereon claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within ten years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date in respect of them.

If Austrian law is specified hereon and with regard to *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) and Covered Bonds, claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within ten years (in the case of principal) and three years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 10 Events of Default

The provisions of this Condition 10 do not apply to Tier 1 Notes.

If any of the following events (each, an "Event of Default") occurs and is continuing, that is to say:

- (a) default being made for a period of 15 days (in the case of interest) or seven days (in the case of principal) in the payment on the due date of interest or principal in respect of any of the Notes; or
- (b) the Issuer failing to perform or observe any covenant, condition or provision contained in the Notes (other than any obligation for the payment of principal or interest in respect of the Notes) and on its part to be performed and observed which default is incapable of remedy or is not remedied within 45 days after notice of such default shall have been given to the Fiscal Agent at its specified office by any Noteholder; or
- (c) any other Indebtedness (as defined below) of the Issuer or any Material Subsidiary (i) is not paid when due nor within any grace period applicable to such Indebtedness, or (ii) has become or becomes capable of being rendered due and payable before its scheduled maturity by reason of a default by the Issuer, or (iii) if payable on demand, is not paid when demanded, or (iv) any guarantee or indemnity given by the Issuer in respect of any Indebtedness of any other person is not honoured when due and called upon; or
- (d) the security for any Indebtedness of the Issuer becomes enforceable and the creditors entitled thereto take steps to enforce the same; or
- (e) the Issuer shall be adjudicated or found bankrupt or insolvent, or any order shall be made by any competent court or administrative agency for, or any resolution shall be passed by the Issuer to apply for, the judicial appointment of an official controller to supervise the management of the Issuer with binding authority with the effect of a temporary moratorium (*Geschäftsaufsicht*) in relation to the Issuer or a substantial part of its assets or if the Issuer shall be wound up or dissolved, otherwise than for the purposes of reconstruction, merger or amalgamation in which the successor entity assumes all the obligations of the Issuer with respect to the Notes; then:
  - (i) in the case of Senior Notes, the holder of any Note may by written notice to the Issuer at its specified office declare such Note to be due and payable at its Early Redemption Amount, together with accrued interest; and



- (ii) in the case of Subordinated Notes, the holder of any Note may by written notice to the Issuer at its specified office:
  - (x) in an event contemplated in sub-paragraph (b), institute judicial proceedings against the Issuer as it may think fit to enforce the performance or observance by the Issuer of any covenant, condition or provision contained in the Notes; or
  - (y) in any event contemplated in sub-paragraphs (a), (c), (d) or (e) (other than the Issuer being adjudicated bankrupt by a competent Austrian court) inform the Financial Markets Authority of the occurrence of such event and request that the Financial Markets Authority applies to the competent court in Vienna for the commencement of bankruptcy proceedings against the Issuer subject to the statutory requirement that such court declares that the Issuer has become bankrupt, and only if such declaration is made shall the Notes become due and repayable as hereinafter described; or
  - (z) if bankruptcy proceedings are commenced in such court against the Issuer (on the application of any person other than a Noteholder acting solely in such capacity), file an application in such court demanding repayment of all principal amounts due under the Notes together with accrued interest and any additional amount;
- (iii) in the case of *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds) and Covered Bonds:
  - (w) the holder of any Note may, in an event contemplated in sub-paragraph (a), by written notice to the Issuer at its specified office declare such Note to be due and payable at its Early Redemption Amount, together with accrued interest; and
  - (x) the holder of any Note may, in an event contemplated in sub-paragraph (b), institute judicial proceedings against the Issuer as it may think fit to enforce the performance or observance by the Issuer of any covenant, condition or provision contained in the Notes; and
  - (y) the holder of any Note may in any event contemplated in sub-paragraph (c), (d) or (e) (other than the Issuer being adjudicated bankrupt by a competent Austrian court) inform the Financial Markets Authority of the occurrence of such event and request that the Financial Markets Authority applies to the competent court in Vienna for the commencement of bankruptcy proceedings against the Issuer subject to the statutory requirement that such court declares that the Issuer has become bankrupt, and only if such declaration is made shall the Notes become due and repayable as hereinafter described; and
  - (z) if bankruptcy proceedings are opened against the Issuer by a competent Austrian court, the Notes will, subject to the following sentence, not become due and payable in the event that the relevant pool of cover assets has been transferred to an appropriate credit institution and the holder of any Note may enforce its claim under the Notes up to the shortfall (or estimated shortfall, as the case may be) by which such claims are not covered by the liquidation proceeds of the respective relevant pool of cover assets. Where the respective pool of cover assets is not transferred to another credit institution in

accordance with Austrian law, and provided the assets listed in the relevant register are not sufficient to satisfy the claims of all holders of the Notes, the relevant pool of cover assets for the Notes will be liquidated upon application by the special administrator for the pool of cover assets and approval by the competent bankruptcy court, and the Notes will be deemed to be due and payable by operation of the respective law governing these types of Notes; and

(iv) in all cases:

If the competent Austrian court declares the Issuer bankrupt, all claims due to the Noteholders and/or to the Couponholders and/or to the Receiptholders (other than under *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) and Covered Bonds) by the Issuer of principal and/or interest and any additional amounts shall be considered due and payable according to section 14 of the Austrian Bankruptcy Act 1914 as amended (*Konkursordnung*) in such currency that is legal tender in Austria on the date such insolvency is published by judicial notice, converted at the rate of exchange applicable on the day preceding such date for the purchase with such currency that is legal tender in Austria in Vienna of the amounts due.

If bankruptcy proceedings are commenced against the Issuer, the Notes (other than under *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds) and Covered Bonds) will cease to bear interest from the date on which judicial notice of such insolvency is published and all unmatured Coupons will thereupon become void and no payment shall be made in respect thereof.

The Noteholders, the Couponholders and/or the Receiptholders will be represented in any judicial action or bankruptcy proceedings instituted in Austria against the Issuer by an attorney (curator) appointed by and responsible to the Commercial Court of Vienna under the statute of 24 April 1874, Imperial Legislation Gazette no. 49 as amended (*Kuratorengesetz*) or, in the case of *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds), pursuant to the Introductory Order of the Act on Mortgage Banks and, in the case of Covered Bonds, the Law on Covered Bank Bonds, where the rights of the Noteholders, the Couponholders and/or the Receiptholders are at risk due to the lack of a common representative or where the rights of another person would be deferred.

For the purposes of these Conditions:

"*Core Subsidiary*" means any Subsidiary other than a *Haftungsverbund Subsidiary*;

"*Haftungsverbund Subsidiary*" means any company which is controlled by and consolidated with the Issuer solely pursuant to its membership in the *Haftungsverbund*;

"*Group*" means the Issuer and its Subsidiaries;

"*Indebtedness*" means any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of (i) money borrowed, (ii) liabilities under or in respect of any acceptance or acceptance credit, or (iii) any notes, bonds, debentures, debenture stock, loan stock or

other securities offered, issued or distributed whether by way of public offer, private placing, acquisition consideration or otherwise and whether issued for cash or in whole or in part for a consideration other than cash, in each case in an aggregate principal amount in excess of US\$15,000,000 or its equivalent in other currencies;

"*Material Subsidiary*" means at any time:

- (i) any Core Subsidiary of the Issuer whose total assets, revenues or cash flows (consolidated in the case of a company, which itself has Subsidiaries) represent not less than 7.5% of the consolidated total assets or consolidated revenues or consolidated cash flow of the Erste Group taken as a whole, all as calculated by reference to the then most recent financial statements (consolidated or, as the case may be, unconsolidated), of that Core Subsidiary and the most recent consolidated financial statements of the Erste Group; or
- (ii) any Core Subsidiary to which is transferred the whole or substantially the whole of the assets and undertaking of a Core Subsidiary which, immediately prior to such transfer, is a Material Subsidiary;

"*Subsidiary*" means, at any particular time, either:

- (a) any company which is then, directly or indirectly, controlled, or at least 50% of whose issued equity share capital (or equivalent) is then beneficially owned, by the Issuer and/or one or more of its Subsidiaries. For a company to be controlled by another means that the other (whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract or otherwise) has the power to appoint and/or remove all or the majority of the members of the managing board or other governing body of that company or otherwise controls or has the power to control the affairs and policies of that company; or
- (b) any company regarded as a subsidiary of the Issuer in accordance with International Financial Reporting Standards.

A report by the Auditors (as defined in the Agency Agreement) of the Issuer that, in their opinion, an entity is or is not or was or was not at any particular time a Subsidiary, a Haftungsverbund Subsidiary or a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

## **11 Meeting of Noteholders, Modifications and Waiver**

### **(a) Meetings of Noteholders**

This paragraph shall apply only to International Notes, unless specifically indicated otherwise in the Final Terms. The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions (except for Subordinated Notes issued pursuant to Condition 3(b)(ii), (iii) or (iv) in respect of which the subordination provisions may not be modified pursuant to section 23, paragraph 8 no. 2 of the Austrian Banking Act) or any provisions of the Agency Agreement. The quorum for any meeting convened to consider a resolution other than an Extraordinary Resolution shall be one or more persons holding or representing in the aggregate not less than one-tenth in principal amount of the Notes for the time being outstanding, and the quorum for any meeting convened to consider an Extraordinary Resolution shall be one or more persons holding or representing 75%

in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, inter alia, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the principal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Interest Rate, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum shall be one or more persons holding or representing not less than two-thirds or at any adjourned meeting not less than one-third in principal amount of the Notes for the time being outstanding. Any resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders. The expression "Extraordinary Resolution" means a resolution passed at a meeting of Noteholders duly convened by a majority consisting of not less than three-quarters of the votes cast. All other resolutions shall be passed at a meeting of Noteholders duly convened by a majority of the votes cast.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

**(b) *Modification and Amendment of the Agency Agreement***

The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of, or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

The Agency Agreement may be amended by the Issuer and the Fiscal Agent, without the consent of the Registrar or any Paying Agent, Transfer Agent, Exchange Agent, Calculation Agent or holder, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Issuer and the Fiscal Agent may mutually deem necessary or desirable and which does not adversely affect the interests of the holders.

**12 Replacement of Notes, Certificates, Receipts, Coupons and Talons**

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Fiscal Agent (in case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is

subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

### **13 Further Issues**

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same Terms and Conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes.

### **14 Notices**

Notices to the holders of Registered Notes shall be mailed to them (or, in the case of joint holders, to the first named) at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing, and shall be published on the internet home page of the Issuer (which is expected to be [www.erstegroup.com](http://www.erstegroup.com)) (so long as the Notes are listed on the Vienna Stock Exchange), or on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) (so long as the Notes are listed on the Luxembourg Stock Exchange), and, in both cases, if required by mandatory law or stock exchange regulation, shall be published by means of an eligible information system. Notices to the holders of Bearer Notes shall be published on the internet home page of the Issuer (which is expected to be [www.erstegroup.com](http://www.erstegroup.com)) (so long as the Notes are listed on the Vienna Stock Exchange), or on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) (so long as Notes are listed on the Luxembourg Stock Exchange), and, in both cases, if required by mandatory law or stock exchange regulation, be published by means of an eligible information system. Notices to the holders of unlisted Bearer Notes shall be published on the internet homepage of the Issuer. Notwithstanding the foregoing, if any such publication is not practicable, notice shall be validly given if published in a leading daily English language newspaper with general circulation in Europe. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange on which the Notes are for the time being listed. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Couponholders and Receiptholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

### **15 Governing Law, Jurisdiction and Service of Process**

#### **(a) *English Law***

If English law is specified hereon:

(i) Governing Law

The Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with the Notes, the Receipts, the Coupons and the Talons are governed by, and shall be construed in accordance with, English law, save that the subordination provisions of Conditions 3(b) and 3(c) and the determination of Distributable Funds are governed by, and shall be construed in accordance with, Austrian law.

(ii) Jurisdiction

The Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons (including any disputes relating to any non-contractual obligations arising out of or in connection with Notes, Coupons, Receipts or Talons) and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons (including any legal action or proceedings relating to any non-contractual obligations arising out of or in connection with Notes, Receipts, Coupons or Talons) ("Proceedings") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in one or more jurisdictions or preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(iii) Service of Process

The Issuer irrevocably appoints its London branch as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 14. Nothing shall affect the right to serve process in any manner permitted by law.

**(b) Austrian Law**

For *Pfandbriefe* (Mortgage Bonds), *Kommunalschuldverschreibungen* (*Öffentliche Pfandbriefe*) (Public-Sector Covered Bonds) or Covered Bonds or if Austrian law is specified hereon:

(i) Governing Law

The Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with the Notes, the Receipts, the Coupons and the Talons are governed by, and shall be construed in accordance with, Austrian law.

(ii) Jurisdiction

The competent Austrian courts shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts,

Coupons or Talons (including any legal action or proceedings relating to any non-contractual obligations arising out of or in connection with Notes, Receipts, the Coupons or Talons), to the extent permissible according to applicable mandatory consumer protection legislation.

(c) Invalidity etc.

If at any time, any one or more of the provisions of the Notes, the Receipts, the Coupons and the Talons is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, such provision shall as to such jurisdiction, be ineffective to the extent necessary without affecting or impairing the validity, legality and enforceability of the remaining provisions hereof or of such provisions in any other jurisdiction. The invalid or unenforceable provision shall be deemed replaced by such valid, legal or enforceable provision which comes as close as possible to the original intent of the parties and the invalid, illegal or unenforceable provision.

## **16 Language**

In the event that English language is specified hereon as the binding language, the English language version of these Conditions shall alone be binding and, if specified hereon, the German language version shall be a translation for convenience purposes only.

In the event that German language is specified hereon as the binding language, the German version of these Conditions shall alone be binding and, if specified hereon, the English language version shall be a translation for convenience purposes only.

## GERMAN LANGUAGE VERSION OF THE TERMS AND CONDITIONS OF THE NOTES

### Emissionsbedingungen

*Im Folgenden ist der Text der Emissionsbedingungen wiedergegeben, die - vorbehaltlich der Vervollständigung und Abänderung und entsprechend ergänzt oder abgewandelt in Übereinstimmung mit den Bestimmungen des Teils A der maßgeblichen Endgültigen Bedingungen - auf in Sammelurkunden verbrieft Schuldverschreibungen und auf effektive Stücke (sofern es solche gibt), die im Austausch für (eine) Sammelurkunde(n) ausgegeben wurden, anwendbar sind. Auf Inhaberschuldverschreibungen oder den sich auf Namensschuldverschreibungen beziehenden Zertifikaten werden entweder (i) der vollständige Text dieser Emissionsbedingungen gemeinsam mit den maßgeblichen Bestimmungen des Teils A der Endgültigen Bedingungen, oder (ii) diese Emissionsbedingungen in der so vervollständigten, geänderten, ergänzten oder abgewandelten Form (und vorbehaltlich einer Vereinfachung durch Streichung nicht anwendbarer Bestimmungen) angeführt. Alle Begriffe, die in diesen Emissionsbedingungen nicht definiert sind, haben jene Bedeutung, die ihnen in Teil A der maßgeblichen Endgültigen Bedingungen zugewiesen ist. Diese Definitionen werden auf den Einzelurkunden oder Zertifikaten, je nachdem, angeführt. Verweise in den Bedingungen auf "Schuldverschreibungen" beziehen sich nur auf die Schuldverschreibungen einer Serie, nicht jedoch auf alle Schuldverschreibungen, die unter diesem Programm ausgegeben werden können.*

Diese Schuldverschreibung ist entweder eine Inländische Schuldverschreibung oder eine Internationale Schuldverschreibung, wie in den Endgültigen Bedingungen bezeichnet. Die Internationalen Schuldverschreibungen werden gemäß einem am 17.7.2009 zwischen der Emittentin, BNP Paribas Securities Services, Luxembourg Branch als Fiskalagent und den anderen darin genannten Stellen abgeschlossenen Agency Agreement (in der am Ausgabetag gültigen oder ergänzten Fassung, das "Agency Agreement"), und, hinsichtlich der englischen Recht unterliegenden Internationalen Schuldverschreibungen, ausgestattet mit den Rechten gemäß einer Deed of Covenant (in der am Ausgabetag gültigen oder ergänzten Fassung, die "Deed of Covenant") vom 17.7.2009, welche von der Emittentin hinsichtlich der Schuldverschreibungen abgegeben wurde, ausgegeben. Hinsichtlich der Inländischen Schuldverschreibungen wird die Emittentin, soweit erforderlich, selbst als Fiskalagent, Zahlstelle, Registerstelle, Übertragungsstelle und Berechnungsstelle fungieren. Der Fiskalagent, die Zahlstellen, die Registerstelle, die Übertragungsstelle und die Berechnungsstelle(n) werden (wenn solche vorhanden sind) als der "Fiskalagent", die "Zahlstellen" (diese Bezeichnung umfasst auch den Fiskalagenten), die "Registerstelle", die "Übertragungsstelle" und die "Berechnungsstelle(n)" bezeichnet. Die Gläubiger der Schuldverschreibung (wie nachstehend definiert), die Inhaber von Kuponscheinen (die "Kuponscheine") hinsichtlich zinstragender Inhaberschuldverschreibungen und, soweit auf solche Schuldverschreibungen anwendbar, Talonscheine für weitere Kuponscheine (die "Talonscheine") (die "Kuponscheininhaber") und die Inhaber von Ratenscheinen im Hinblick auf die Teilzahlung von Kapital (die "Ratenscheine") betreffend auf Inhaber lautende Schuldverschreibungen, deren Kapital in Raten zahlbar ist, (die "Ratenscheininhaber") werden behandelt, als ob sie Kenntnis von allen Bestimmungen des Agency Agreement, welche auf sie anwendbar sind, haben, soweit auf solche Schuldverschreibungen, Kuponscheine, Talonscheine oder Ratenscheine englisches Recht anwendbar ist.

In diesen Emissionsbedingungen bezeichnet "Tranche" in jeder Hinsicht identische Schuldverschreibungen, und "Endgültige Bedingungen" bezeichnet die Endgültigen Bedingungen, die sich auf eine Tranche beziehen.

Kopien des Agency Agreement, der Deed of Covenant, der ISDA Definitionen und der 2003 ISDA Credit Derivatives Definitionen, welche von Zeit zu Zeit von der International Swaps and Derivatives Association Inc. veröffentlicht werden, können während der üblichen Geschäftszeiten in den benannten Geschäftsstellen der Zahlstellen, der Registerstelle und der Übertragungsstellen eingesehen werden.



Wenn gemäß den Endgültigen Bedingungen englisches Recht anwendbar ist, steht niemandem gemäß dem englischen Contracts (Rights of Third Parties) Act 1999 ein Recht zur Durchsetzung der Bestimmungen dieser Schuldverschreibungen zu, unbeschadet der sonstigen Rechte oder Rechtsbehelfe, welche einer Person abgesehen von diesem Gesetz zustehen.

## **1 Form, Stückelung und Eigentum**

Die Schuldverschreibungen lauten auf Inhaber ("Inhaberschuldverschreibungen", wobei dieser Begriff auch Schuldverschreibungen umfasst, die als Umtauschbare Inhaberschuldverschreibungen bezeichnet werden), auf Namen ("Namensschuldverschreibungen") oder auf Inhaber, umtauschbar in Namensschuldverschreibungen ("Umtauschbare Inhaberschuldverschreibungen"), jeweils mit in den Endgültigen Bedingungen angeführten festgelegten Stückelungen.

*Alle Namensschuldverschreibungen haben dieselbe festgelegte Stückelung. Im Falle von Umtauschbaren Inhaberschuldverschreibungen haben die Namensschuldverschreibungen, in welche sie umtauschbar sind, dieselbe festgelegte Stückelung wie die niedrigste Stückelung der Umtauschbaren Inhaberschuldverschreibungen.*

Diese Schuldverschreibung ist ein Pfandbrief, eine Kommunalschuldverschreibung (Öffentlicher Pfandbrief), eine fundierte Bankschuldverschreibung, eine festverzinsliche Schuldverschreibung, eine variabel verzinsliche Schuldverschreibung, eine Nullkupon-Schuldverschreibung, eine Schuldverschreibung mit indexgebundener Verzinsung, eine Schuldverschreibung mit indexgebundener Tilgung, eine aktiengebundene Schuldverschreibung, eine fondsgebundene Schuldverschreibung, eine kreditgebundene Schuldverschreibung, eine rohstoffgebundene Schuldverschreibung, eine futuregebundene Schuldverschreibung, eine Reverse Convertible Schuldverschreibung, eine Ratenschuldverschreibung, eine Doppelwährungs-Schuldverschreibung oder eine Teileingezahlte Schuldverschreibung, eine Kombination der vorstehend aufgezählten oder einer anderen Art von Schuldverschreibung, jeweils abhängig von Rang und Verzinsung und Tilgungs-/Zahlungsbasis, wie in den Endgültigen Bedingungen bestimmt.

Inhaberschuldverschreibungen, über die Urkunden ausgegeben werden, haben Seriennummern und werden mit Kuponscheinen ausgegeben (und, soweit notwendig, einem Talonschein), ausgenommen bei Nullkupon-Schuldverschreibungen, bei denen die Verweise auf Zinsen (ausgenommen Zinsen, welche nach dem Tilgungstag fällig werden), Kuponscheine und Talonscheine in diesen Emissionsbedingungen nicht anwendbar sind. Ratenschuldverschreibungen werden mit einem oder mehreren beigefügten Ratenscheinen ausgegeben.

Namensschuldverschreibungen werden durch registrierte Zertifikate ("Zertifikate") vertreten und jedes Zertifikat vertritt sämtliche Namensschuldverschreibungen desselben Inhabers, vorbehaltlich Bedingung 2(c).

Das Eigentum an Inhaberschuldverschreibungen und Ratenscheinen, Kuponscheinen und Talonscheinen wird durch Übergabe übertragen. Das Eigentum an Namensschuldverschreibungen, welche englischem Recht unterliegen, wird, in Übereinstimmung mit zwingendem Recht und wie nachstehend vorgesehen, durch Eintragung im Register (das "Register"), dessen Führung durch die Registerstelle im Einklang mit den Bestimmungen des Agency Agreement die Emittentin vorkehrt, übertragen. Das Eigentum an Namensschuldverschreibungen, welche österreichischem Recht unterliegen, wird durch Zession oder, insoweit solche Namensschuldverschreibungen eine Orderklausel enthalten, durch Indossament und Übergabe übertragen. Ausgenommen aufgrund gesetzlicher Vorschrift oder auftrags eines zuständigen Gerichtes wird der Inhaber (wie unten definiert) einer Schuldverschreibung, eines Ratenscheines, eines Kuponscheines oder eines

Talonscheines für alle Zwecke als der alleinige Eigentümer behandelt, egal ob diese überfällig sind oder nicht und unabhängig von Kenntnis über Eigentum, Treuhandverhältnisse oder sonstige Rechte daran, unabhängig von einem schriftlichen Vermerk darauf (oder auf dem sie vertretenden Zertifikat) oder von deren Diebstahl oder Verlust (oder des sie vertretenden Zertifikates) und niemand ist haftbar, der den Inhaber als alleinigen Eigentümer behandelt.

Schuldverschreibungen, die österreichischem Recht unterliegen, werden durch eine Sammelurkunde oder ein Sammelzertifikat ohne Kuponscheine verbrieft. Einzelurkunden, Zertifikate, Kuponscheine, Talonscheine oder Ratenscheine werden für Schuldverschreibungen, die österreichischem Recht unterliegen, nicht ausgegeben. Jede Sammelurkunde sowie jedes Sammelzertifikat wird von zwei bevollmächtigten Vertretern der Emittentin unterzeichnet.

In diesen Emissionsbedingungen bezeichnet der Begriff "Gläubiger der Schuldverschreibung" den Inhaber einer Inhaberschuldverschreibung und der zugehörigen Ratenscheine oder die Person, auf deren Name eine Namensschuldverschreibung registriert ist (je nachdem), "Inhaber" (in Hinblick auf eine Schuldverschreibung, einen Ratenschein, einen Kuponschein oder einen Talonschein) bezeichnet den Inhaber einer Inhaberschuldverschreibung, eines Ratenscheines, eines Kuponscheins oder eines Talonscheins oder jene Person, auf deren Name eine Namensschuldverschreibung registriert ist und Begriffe, die in diesen Emissionsbedingungen verwendet werden, haben die ihnen hierin und in den Endgültigen Bedingungen zugewiesenen Bedeutungen. Wenn keine Bedeutung angegeben ist, indiziert dies, dass dieser Begriff auf die Schuldverschreibungen nicht anwendbar ist.

So lange Inhaberschuldverschreibungen, die österreichischem Recht unterliegen, durch eine Sammelurkunde verbrieft sind, bezeichnet "Gläubiger der Schuldverschreibung" jeden Inhaber eines Miteigentumanteils oder eines anderen Anteils oder Rechts an der Sammelurkunde gemäß Depotgesetz und, soweit anwendbar, den allgemeinen Geschäftsbedingungen der OeKB als österreichische Wertpapiersammelbank, oder eine Person, auf deren Namen eine Namensschuldverschreibung und/oder ein Sammelzertifikat registriert ist.

## **2 Umtausch von Umtauschbaren Inhaberschuldverschreibungen und Übertragungen von Namensschuldverschreibungen**

### **(a) Umtausch von Umtauschbaren Inhaberschuldverschreibungen**

Umtauschbare Inhaberschuldverschreibungen können, vorbehaltlich wie in Bedingung 2 (f) vorgesehen, auf schriftliche Anforderung des jeweiligen Gläubigers der Schuldverschreibung in Namensschuldverschreibungen mit dem gleichen Gesamtkapitalbetrag durch Einreichung der umzutauschenden Umtauschbaren Inhaberschuldverschreibungen, gemeinsam mit allen nicht fälligen und zugehörigen Ratenscheinen, Kuponscheinen und Talonscheinen bei der angegebenen Geschäftsstelle einer Übertragungsstelle umgetauscht werden; sofern eine Umtauschbare Inhaberschuldverschreibung zum Umtausch nach dem Record Date (wie in Bedingung 7(b) definiert) für eine Zinszahlung eingereicht wird, muss der Kuponschein hinsichtlich dieser Zinszahlung nicht mit ihr gemeinsam eingereicht werden. Namensschuldverschreibungen können nicht in Inhaberschuldverschreibungen umgetauscht werden. Inhaberschuldverschreibungen mit einer festgelegten Stückelung können nicht in Inhaberschuldverschreibungen mit einer anderen festgelegten Stückelung umgetauscht werden. Inhaberschuldverschreibungen, welche keine Umtauschbaren Inhaberschuldverschreibungen sind, können nicht in Namensschuldverschreibungen umgetauscht werden.

**(b) Übertragung von Namensschuldverschreibungen**

Eine oder mehrere Namensschuldverschreibungen können durch Einreichung (bei der benannten Geschäftsstelle der Registerstelle oder einer Übertragungsstelle) des Zertifikates, welches solche zu übertragenden Namensschuldverschreibungen vertritt, gemeinsam mit der auf dem jeweiligen Zertifikat angebrachten Übertragungserklärung (oder einer anderen Übertragungserklärung, welche im Wesentlichen der Übertragungserklärung entspricht und welche dieselben Zusagen und Bestätigungen enthält (wenn solche vorhanden sind), ausgenommen etwas anderes ist mit der Emittentin vereinbart), ordnungsgemäß ausgefüllt und unterfertigt, oder, im Falle von Namensschuldverschreibungen, die österreichischem Recht unterliegen (i) durch Zession oder (ii) im Falle von Namensschuldverschreibungen, die eine Orderklausel enthalten, ordnungsgemäß indossiert sind, und jeden anderen Nachweis enthalten, den die Registerstelle oder die Übertragungsstelle vernünftigerweise verlangen, übertragen werden.

Im Falle einer nur teilweisen Übertragung von durch ein Zertifikat vertretenen Namensschuldverschreibungen wird ein neues Zertifikat an den Übernehmer hinsichtlich des übertragenen Teiles und ein weiteres neues Zertifikat hinsichtlich des nicht übertragenen Teiles an den Übertragenden ausgestellt. Wenn in den Endgültigen Bedingungen angegeben, dürfen durch ein Zertifikat vertretene Namensschuldverschreibungen nur zur Gänze übertragen werden, in welchem Falle der vorige Satz nicht anwendbar ist. Alle Übertragungen von Schuldverschreibungen und Eintragungen in das Register werden gemäß den detaillierten Bestimmungen über die Übertragung von Schuldverschreibungen im Anhang zum Agency Agreement (soweit anwendbar) vorgenommen. Diese Bestimmungen können mit der vorherigen schriftlichen Zustimmung der Registerstelle und der Gläubiger der Schuldverschreibungen durch die Emittentin geändert werden. Eine Kopie der derzeitigen Bestimmungen wird jedem Gläubiger der Schuldverschreibungen von der Registerstelle auf Anforderung zur Verfügung gestellt.

**(c) Ausübung von Wahlrechten oder Teiltilgung von Namensschuldverschreibungen**

Im Falle der Ausübung eines Wahlrechtes der Emittentin oder der Gläubiger der Schuldverschreibung hinsichtlich von Namensschuldverschreibungen oder einer Teiltilgung von Namensschuldverschreibungen, welche durch ein einziges Zertifikat vertreten werden, wird ein neues Zertifikat an den Inhaber ausgegeben, das die Ausübung eines solchen Wahlrechtes oder die verbleibenden, nicht getilgten Namensschuldverschreibungen, darstellt. Im Falle einer teilweisen Ausübung eines Wahlrechtes, welches dazu führt, dass Namensschuldverschreibungen desselben Bestandes verschiedene Bedingungen aufweisen, werden gesonderte Zertifikate jeweils für die Schuldverschreibungen mit denselben Bedingungen ausgegeben. Neue Zertifikate werden nur gegen Einreichung der bestehenden Zertifikate bei der Registerstelle oder bei einer Übertragungsstelle ausgegeben. Im Falle einer Übertragung von Namensschuldverschreibungen an eine Person, die bereits Inhaber von Namensschuldverschreibungen ist, wird ein neues Zertifikat über den vergrößerten Bestand nur gegen Einreichung des Zertifikates, welches den bisherigen Bestand vertritt, ausgegeben.

**(d) Ausgabe von neuen Zertifikaten**

Jedes neue Zertifikat, welches gemäß den Bedingungen 2(a), (b) oder (c) ausgegeben wird, ist innerhalb von drei Geschäftstagen nach Erhalt der Umtauschafforderung, der Übertragungserklärung oder der Ausübungserklärung (wie in Bedingung 6(d) definiert) oder der Einreichung des Zertifikates zum Umtausch zur Lieferung verfügbar. Die Lieferung der(s) neuen Zertifikate(s) erfolgt bei der benannten Geschäftsstelle der Übertragungsstelle oder der Registerstelle (je nachdem), bei der die Umtauschafforderung, die Übertragungserklärung oder die Ausübungserklärung gestellt wurde oder bei welcher das Zertifikat eingereicht wurde, oder, nach Wahl des die Lieferung oder Einreichung wie zuvor beschrieben durchführenden Inhabers und wie in der jeweiligen Umtauschafforderung, Übertragungserklärung oder Ausübungserklärung oder auf andere schriftliche Weise festgelegt, durch nicht versicherte Postzustellung auf Risiko des Inhabers, dem das neue Zertifikat zusteht, an jene Adresse, die er auf diese Weise bezeichnet hat, ausgenommen dieser Inhaber verlangt eine andere Art der Lieferung und bezahlt im Voraus dem jeweiligen Agenten (wie im Agency Agreement definiert) die Kosten einer anderen von ihm bestimmten Liefermethode und/oder Versicherung. In dieser Bedingung 2(d) bezeichnet "Geschäftstag" einen Tag außer Samstag oder Sonntag, an dem Banken am Ort der benannten Geschäftsstelle der jeweiligen Übertragungsstelle oder der Registerstelle (je nachdem) zum Geschäftsbetrieb geöffnet sind.

**(e) Kostenloser Umtausch**

Der Umtausch und die Übertragung von Schuldverschreibungen und Zertifikaten bei Registrierung, Übertragung, teilweiser Tilgung oder Ausübung eines Wahlrechtes wird ohne Verrechnung von Kosten durch (oder für) die Emittentin, die Registerstelle oder die Übertragungsstellen vorgenommen, aber unter Zahlung von Steuern, Gebühren oder anderen behördlichen Abgaben, welche im Hinblick darauf vorgeschrieben werden (oder unter Abgabe einer Haftungsfreistellung, wie von der Registerstelle oder der jeweiligen Übertragungsstelle verlangt).

**(f) Sperrfrist**

Kein Gläubiger der Schuldverschreibung ist berechtigt, die Registrierung der Übertragung einer Namensschuldverschreibung oder den Umtausch einer Umtauschbaren Inhaberschuldverschreibung in eine oder mehrere Namensschuldverschreibung(en) (i) während eines Zeitraums von 15 Tagen, der am Tilgungstag der Tilgung oder der Zahlung eines Teilzahlungsbetrages dieser Schuldverschreibung endet, (ii) während eines Zeitraums von 15 Tagen vor jedem Zeitpunkt, an dem die Schuldverschreibungen nach Wahl der Emittentin gemäß Bedingung 6(c) getilgt werden können, (iii) nachdem die Emittentin bekannt gegeben hat, diese Schuldverschreibung zu tilgen, oder (iv) während eines Zeitraums von sieben Tagen, der an einem Record Date endet, wobei dieses mitzuzählen ist, zu verlangen. Eine Umtauschbare Inhaberschuldverschreibung, deren Tilgung bekannt gegeben wird, kann jedoch in eine oder mehrere Namensschuldverschreibung(en) umgetauscht werden, wenn gleichzeitig das entsprechende Zertifikat vor oder am jeweiligen Record Date eingereicht wird.

### **3 Rang**

**(a) Rang der Nicht-Nachrangigen Schuldverschreibungen**

Die Nicht-Nachrangigen Schuldverschreibungen (das sind jene Schuldverschreibungen, die ihren Rang als nicht-nachrangig bezeichnen) und die Ratenscheine und zugehörigen Kuponscheine begründen direkte, unbedingte, und nicht nachrangige und (vorbehaltlich der Bedingung 4) unbesicherte

Verbindlichkeiten der Emittentin und haben den gleichen Rang ohne Vorrang untereinander und (soweit nicht gesetzliche Ausnahmen anwendbar sind und ohne das Vorgenannte einzuschränken) die Zahlungspflichten der Emittentin gemäß den Nicht-Nachrangigen Schuldverschreibungen und den Ratenscheinen und zugehörigen Kuponscheinen haben den gleichen Rang wie alle anderen gegenwärtigen und zukünftigen unbesicherten und nicht-nachrangigen Verschuldungen und geldwerten Verpflichtungen der Emittentin.

**(b) Rang der Nachrangigen Schuldverschreibungen**

Die Nachrangigen Schuldverschreibungen (das sind jene Schuldverschreibungen, die ihren Rang als nachrangig bezeichnen) und die Ratenscheine und zugehörigen Kuponscheine begründen direkte und nicht besicherte Verbindlichkeiten der Emittentin und haben den gleichen Rang ohne Vorrang untereinander wie alle anderen nachrangigen Verbindlichkeiten der Emittentin, ausgenommen nachrangige Verpflichtungen, welche ausdrücklich als nachrangig gegenüber den Nachrangigen Schuldverschreibungen bezeichnet werden. Im Falle der Liquidation oder des Konkurses der Emittentin stehen die Zahlungspflichten der Emittentin gemäß den Nachrangigen Schuldverschreibungen, den Ratenscheinen und zugehörigen Kuponscheinen im Rang nach den nicht-nachrangigen Gläubigern der Emittentin, aber zumindest im gleichen Rang mit allen anderen nachrangigen Verpflichtungen der Emittentin, welche nicht gemäß deren Bedingungen nachrangig gegenüber den Nachrangigen Schuldverschreibungen sind, und vorrangig gegenüber den Ansprüchen der Aktionäre der Emittentin.

Nachrangige Schuldverschreibungen können in Form von Ergänzungskapital ("Ergänzungskapital"), nachrangigem Kapital ("Nachrangiges Kapital"), nachrangigem Ergänzungskapital ("Nachrangiges Ergänzungskapital") oder kurzfristigem nachrangigem Kapital ("Kurzfristiges Nachrangiges Kapital") ausgegeben werden, in jedem Fall gemäß und in Übereinstimmung mit den Anforderungen des österreichischen Bankwesengesetzes 1993 in der geltenden Fassung (das "Bankwesengesetz"):

- (i) Ergänzungskapital gemäß § 23 Abs 7 Bankwesengesetz.

*Nachrangige Schuldverschreibungen, welche Ergänzungskapital darstellen, haben eine Laufzeit von mindestens acht Jahren.*

Die Emittentin ist berechtigt, die Schuldverschreibungen vor Ablauf einer Restlaufzeit von drei Jahren zu kündigen, wenn dies vertraglich vereinbart wurde und die Emittentin vor Abgabe der Kündigungsanzeige Kapital in gleicher Höhe und zumindest gleicher Eigenmittelqualität zur Verfügung hat.

Zinsen auf Nachrangige Schuldverschreibungen, welche Ergänzungskapital darstellen, dürfen nur ausbezahlt werden, wenn die Zahlung der Zinsen im Jahresüberschuss vor Rücklagenbewegung der Emittentin (wie im letzten zum Zinszahlungstag verfügbaren, nicht konsolidierten, festgestellten Jahresabschluss der Emittentin ausgewiesen, erstellt nach Unternehmensgesetzbuch und Bankwesengesetz) gedeckt ist (wie durch den Vorstand der Emittentin festgestellt). Wenn die Zinsen im Einklang mit den vorstehenden Regelungen nicht zahlbar sind, wird die Zahlung der Zinsen bis zu jenem Zeitpunkt, an dem der Jahresüberschuss der Emittentin (wie im letzten zum Zinszahlungstag verfügbaren, nicht konsolidierten, festgestellten Jahresabschluss der Emittentin ausgewiesen, erstellt nach Unternehmensgesetzbuch und Bankwesengesetz) für die Zahlung der aufgeschobenen Zinszahlungen ausreicht, aufgeschoben ("Kumulatives Ergänzungskapital"), ausgenommen das Ergänzungskapital wird in den Endgültigen Bedingungen als nicht-kumulativ bezeichnet.

Vor der Liquidation der Emittentin dürfen Nachrangige Schuldverschreibungen, welche Ergänzungskapital darstellen, nur unter anteiligem Abzug der seit dem Ausgabebetrag solcher Nachrangiger Schuldverschreibungen angefallenen Nettoverluste vom Kapitalbetrag, das auf diese Nachrangigen Schuldverschreibungen ausständig ist, zurückbezahlt werden. Eine Rückzahlung des Kapitals von Nachrangigen Schuldverschreibungen, die Ergänzungskapital darstellen, darf daher nicht erfolgen, bevor der Jahresabschluss der Emittentin (nicht konsolidiert, erstellt nach Unternehmensgesetzbuch und Bankwesengesetz) für alle Geschäftsjahre seit dem Ausgabebetrag solcher Nachrangiger Schuldverschreibungen, die Ergänzungskapital darstellen, festgestellt wurde (wie in § 125 des Aktiengesetzes vorgesehen).

- (ii) Nachrangiges Kapital gemäß § 23 Abs 8 Bankwesengesetz.

*Nachrangige Schuldverschreibungen, welche Nachrangiges Kapital darstellen, haben eine Mindestlaufzeit von fünf Jahren.*

Im Falle von unbefristeten Nachrangigen Schuldverschreibungen, die Nachrangiges Kapital begründen oder in Fällen, in denen der Emittentin oder den Gläubigern der Schuldverschreibungen ein Kündigungsrecht eingeräumt ist, darf eine Rückzahlung erst nach Ablauf einer Kündigungsfrist von fünf Jahren erfolgen, abgesehen von den nachstehend genannten Fällen. Die Emittentin ist ferner berechtigt, Nachrangige Schuldverschreibungen, die Nachrangiges Kapital darstellen, nach einer Laufzeit von fünf Jahren ohne Einhaltung einer Kündigungsfrist zurückzuzahlen, sofern die Emittentin vor der Kündigungsanzeige Kapital in gleicher Höhe und zumindest gleicher Eigenmittelqualität zur Verfügung hat. Die Emittentin ist berechtigt, eine Mitteilung, diese Schuldverschreibungen vor dem Ablauf von fünf Jahren gemäß Bedingung 6(b) rückzuzahlen, abzugeben, wenn die Emittentin vor Abgabe der Kündigungsanzeige Kapital in gleicher Höhe und zumindest gleicher Eigenmittelqualität zur Verfügung hat.

Forderungen der Emittentin dürfen nicht gegen Rückzahlungspflichten der Emittentin gemäß diesen Schuldverschreibungen aufgerechnet werden und für die Nachrangigen Schuldverschreibungen, die Nachrangiges Kapital darstellen, dürfen keine vertraglichen Sicherheiten durch die Emittentin oder einen Dritten bestellt werden. Durch nachträgliche Vereinbarung darf weder die Nachrangigkeit gemäß dieser Bedingung 3(b) eingeschränkt werden, noch darf die Fälligkeit von Nachrangigen Schuldverschreibungen, welche Nachrangiges Kapital begründen, geändert werden.

- (iii) Nachrangiges Ergänzungskapital gemäß § 23 Abs 7 und 8 BWG.

*Nachrangige Schuldverschreibungen, welche Nachrangiges Ergänzungskapital begründen, haben eine Mindestlaufzeit von acht Jahren. Klargestellt wird, dass Nachrangiges Ergänzungskapital bestimmte Bedingungen von Ergänzungskapital und Nachrangigem Kapital mit dem Ziel kombiniert, in den ersten fünf Jahren als Ergänzungskapital und danach für den Rest der Laufzeit als Nachrangiges Kapital angerechnet zu werden (wenn sich die Emittentin dazu entscheidet).*

Die Emittentin ist berechtigt, die Schuldverschreibungen vor Ablauf der Restlaufzeit von drei Jahren zurückzuzahlen, wenn dies vertraglich vereinbart wurde und die Emittentin vor Abgabe der Kündigungsanzeige Kapital in gleicher Höhe und zumindest gleicher Eigenmittelqualität zur Verfügung hat.

Zinsen auf Nachrangige Schuldverschreibungen, welche Nachrangiges Ergänzungskapital darstellen, dürfen nur ausbezahlt werden, wenn die Zahlung der Zinsen im Jahresüberschuss vor Rücklagenbewegung der Emittentin (wie im letzten zum Zinszahlungstag verfügbaren, nicht konsolidierten, festgestellten Jahresabschluss der Emittentin ausgewiesen, erstellt nach Unternehmensgesetzbuch und Bankwesengesetz) gedeckt ist (wie durch den Vorstand der Emittentin festgestellt). Wenn die Zinsen im Einklang mit den vorstehenden Regelungen nicht zahlbar sind, wird die Zahlung der Zinsen bis zu jenem Zeitpunkt, an dem der Jahresüberschuss der Emittentin (wie im letzten zum Zinszahlungstag verfügbaren, nicht konsolidierten, festgestellten Jahresabschluss der Emittentin ausgewiesen, erstellt nach Unternehmensgesetzbuch und Bankwesengesetz) für die Zahlung der aufgeschobenen Zinszahlungen ausreicht, aufgeschoben ("Kumulatives Nachrangiges Ergänzungskapital"), ausgenommen das Nachrangige Ergänzungskapital wird in den Endgültigen Bedingungen als nicht-kumulativ benannt.

Vor der Liquidation der Emittentin dürfen Nachrangige Schuldverschreibungen, welche Nachrangiges Ergänzungskapital darstellen, nur unter anteiligem Abzug der seit dem Ausgabetag solcher Nachrangigen Schuldverschreibungen angefallenen Nettoverluste vom Kapitalbetrag, der auf diese Nachrangigen Schuldverschreibungen ausständig ist, zurückbezahlt werden. Eine Rückzahlung des Kapitals von Nachrangigen Schuldverschreibungen, die Nachrangiges Ergänzungskapital darstellen, darf daher nicht erfolgen, bevor der Jahresabschluss der Emittentin (nicht konsolidiert, erstellt nach Unternehmensgesetzbuch und Bankwesengesetz) für alle Geschäftsjahre seit dem Ausgabetag solcher Nachrangigen Schuldverschreibungen, die Nachrangiges Ergänzungskapital darstellen, festgestellt wurde (wie im § 125 des Aktiengesetzes vorgesehen).

Forderungen der Emittentin dürfen nicht gegen Rückzahlungspflichten der Emittentin gemäß diesen Schuldverschreibungen aufgerechnet werden und für die nachrangigen Schuldverschreibungen, die Nachrangiges Ergänzungskapital darstellen, dürfen keine vertraglichen Sicherheiten durch die Emittentin oder einen Dritten bestellt werden. Durch nachträgliche Vereinbarung darf weder die Nachrangigkeit gemäß dieser Bedingung 3(b) eingeschränkt werden, noch darf die Fälligkeit von Nachrangigen Schuldverschreibungen, welche Nachrangiges Ergänzungskapital begründen, geändert werden.

- (iv) Kurzfristiges Nachrangiges Kapital gemäß § 23 Abs 8a BWG.

*Nachrangige Schuldverschreibungen, welche Kurzfristiges Nachrangiges Kapital darstellen, haben eine Mindestlaufzeit von zwei Jahren.*

Im Falle von Nachrangigen Schuldverschreibungen, welche Kurzfristiges Nachrangiges Kapital darstellen, bei denen eine Laufzeit nicht festgelegt ist oder bei denen der Emittentin oder den Gläubigern der Schuldverschreibung ein Kündigungsrecht eingeräumt ist, darf eine Rückzahlung erst nach Ablauf einer Kündigungsfrist von zwei Jahren erfolgen, abgesehen von den nachstehend genannten Fällen. Die Emittentin ist außerdem berechtigt, Nachrangige Schuldverschreibungen, welche Kurzfristiges Nachrangiges Kapital darstellen, nach Ablauf von zwei Jahren ohne Kündigungsfrist zurückzuzahlen, wenn die Emittentin vor der Kündigungsanzeige Kapital in gleicher Höhe und zumindest gleicher Eigenmittelqualität zur Verfügung hat. Die Emittentin ist berechtigt, eine Mitteilung über die Rückzahlung solcher Schuldverschreibungen vor Ablauf von zwei Jahren gemäß Bedingung 6(b)

zu machen, wenn die Emittentin vor der Kündigungsanzeige Kapital in gleicher Höhe und zumindest gleicher Eigenmittelqualität zur Verfügung hat.

Zahlungen von Kapital und/oder Zinsen auf Nachrangige Schuldverschreibungen, welche Kurzfristiges Nachrangiges Kapital darstellen, dürfen von der Emittentin nur ausbezahlt werden, wenn die anrechenbaren Eigenmittel der Emittentin gemäß Bankwesengesetz dadurch nicht unter 100% des Eigenmittelerfordernisses gemäß § 22 Abs 1 Z 1 bis 5 des Bankwesengesetzes absinken.

Forderungen der Emittentin dürfen nicht gegen Rückzahlungspflichten der Emittentin gemäß diesen Schuldverschreibungen aufgerechnet werden und für die aus den Nachrangigen Schuldverschreibungen, die Kurzfristiges Nachrangiges Kapital darstellen, resultierenden Verbindlichkeiten dürfen keine vertraglichen Sicherheiten durch die Emittentin oder einen Dritten bestellt werden. Durch nachträgliche Vereinbarung darf weder die Nachrangigkeit gemäß dieser Bedingung 3(b) eingeschränkt werden, noch darf die Fälligkeit von Nachrangigen Schuldverschreibungen, welche Nachrangiges Ergänzungskapital begründen, geändert werden.

**(c) Rang von Tier 1 Schuldverschreibungen**

Tier 1 Schuldverschreibungen (dh Schuldverschreibungen deren Rang als Tier 1 Kapital bezeichnet ist) und die dazugehörigen Kupons begründen direkte, unbesicherte und nachrangige Verpflichtungen der Emittentin und sind gegenwärtig und künftig (i) höherrangig als das Aktienkapital der Emittentin, (ii) gleichrangig ohne Vorrang untereinander und zumindest gleichrangig mit allen (wenn vorhanden) anderen gegenwärtigen und künftigen von der Emittentin begebenen Wertpapieren, die gleichrangig mit den Tier 1 Schuldverschreibungen (gemäß § 24 Abs 2 Nr 5 und 6 des Bankwesengesetzes) sind, und (iii) nachrangig gegenüber allen (wenn vorhanden) gegenwärtigen und künftigen vorrangigen und anderen nicht-nachrangigen und nachrangigen Schuldverpflichtungen der Emittentin (ausgenommen nachrangige Schuldverpflichtungen, die gleichrangig mit den Tier 1 Schuldverschreibungen sind) oder als gleichrangig mit Tier 1 Schuldverschreibungen bezeichnet werden).

Im Fall einer freiwilligen oder unfreiwilligen Liquidation, Auflösung oder Abwicklung der Emittentin sind die Inhaber der Tier 1 Schuldverschreibungen für jede Tier 1 Schuldverschreibung zum Erhalt einer Rückzahlung berechtigt, bevor Ausschüttungen an die Inhaber von Aktienkapital oder anderen Wertpapieren der Emittentin erfolgen, die nachrangig gegenüber den Tier 1 Schuldverschreibungen sind, aber dieser Anspruch ist gleichrangig mit dem Anspruch der Inhaber von allen gleichrangigen Wertpapieren (wie unten definiert) der Emittentin, wenn solche vorhanden sind, und ist vorrangig gegenüber dem Aktienkapital der Emittentin.

**(d) Rang von Pfandbriefen, Kommunalschuldverschreibungen (Öffentliche Pfandbriefe) und fundierten Bankschuldverschreibungen**

**(i) Pfandbriefe**

*Pfandbriefe* (das sind Schuldverschreibungen, die als solche bezeichnet werden) begründen direkte, unbedingte und nicht-nachrangige Verpflichtungen der Emittentin und haben untereinander den gleichen Rang.

*Pfandbriefe* werden durch einen gesonderten Deckungsstock von Deckungswerten besichert, welcher neben anderen geeigneten



Vermögenswerten erstrangige Hypotheken an österreichischen Liegenschaften und an bestimmten Liegenschaften, welche in anderen Mitgliedstaaten des Europäischen Wirtschaftsraumes und der Schweiz gelegen sind, sowie Sicherungsgeschäfte (Derivativerträge) zur Verminderung künftiger Zins-, Währungs- oder Schuldnerisiken enthalten kann. Die Deckungswerte für *Pfandbriefe* werden im Hypothekenregister eingetragen, welches von der Emittentin gemäß dem Hypothekbankgesetz geführt wird. Der Gesamtbetrag der im Umlauf befindlichen *Pfandbriefe* hat in Höhe des Nennwerts jederzeit durch Hypotheken (oder andere geeignete Vermögenswerte) von mindestens gleicher Höhe und mindestens gleichem Zinsertrag zuzüglich einer sichernden Überdeckung von 2% des Nennwerts der im Umlauf befindlichen *Pfandbriefe* gedeckt zu sein. Die Satzung der Emittentin sieht vor, dass zusätzlich zur Deckung des Nennwertes der *Pfandbriefe* die jederzeitige Deckung nach dem Barwert der im Umlauf befindlichen *Pfandbriefe* sichergestellt sein muss.

*Pfandbriefe* sind geeignete Anlagen für Mündergeld gemäß § 230b Z 3 des österreichischen Allgemeinen Bürgerlichen Gesetzbuches. Die Emittentin beabsichtigt, die Aufnahme der *Pfandbriefe* in das Kategorie 1 Register der Europäischen Zentralbank zu beantragen.

(ii) *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)*

*Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (das sind Schuldverschreibungen, die als solche bezeichnet werden) begründen direkte, unbedingte und nicht-nachrangige Verpflichtungen der Emittentin und haben untereinander den gleichen Rang.

*Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* werden durch einen gesonderten Deckungsstock von Deckungswerten besichert, welcher neben anderen geeigneten Vermögenswerten Darlehensforderungen gegen inländische Körperschaften des öffentlichen Rechts oder andere Mitgliedstaaten des Europäischen Wirtschaftsraumes als Österreich oder die Schweiz sowie deren Regionalregierungen und örtliche Gebietskörperschaften, für welche die zuständigen Behörden nach Art 43 Abs 1 lit b Z 5 der Richtlinie 2000/12/EG eine Gewichtung von höchstens 20% festgelegt haben, oder Forderungen, denen eine Garantie durch eine der vorgenannten Körperschaften zukommt, oder von einer der vorgenannten Körperschaften ausgegebene Schuldverschreibungen oder Schuldverschreibungen, für die eine der vorgenannten Körperschaften die Garantie übernimmt, sowie Sicherungsgeschäfte (Derivativerträge) zur Verminderung künftiger Zins-, Währungs- oder Schuldnerisiken enthalten kann. Die Deckungswerte für *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* werden im Hypothekenregister eingetragen, welches von der Emittentin gemäß dem Hypothekbankgesetz geführt wird. Der Gesamtbetrag der im Umlauf befindlichen *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* hat in Höhe des Nennwerts jederzeit durch Deckungswerte von mindestens gleicher Höhe und mindestens gleichem Zinsertrag zuzüglich einer sichernden Überdeckung von zumindest 2% des Nennwerts der im Umlauf befindlichen *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* gedeckt zu sein. Die Satzung der Emittentin sieht außerdem vor, dass der Barwert der im Umlauf befindlichen *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* jederzeit durch geeignete Vermögenswerte sichergestellt sein muss.

*Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* sind geeignete Anlagen für Mündergeld gemäß § 230b Z 3 des österreichischen Allgemeinen Bürgerlichen Gesetzbuches. Die Emittentin beabsichtigt, die Aufnahme der

*Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* in das Kategorie 1 Register der Europäischen Zentralbank zu beantragen.

(iii) Fundierte Bankschuldverschreibungen

Fundierte Bankschuldverschreibungen (das sind Schuldverschreibungen, die als solche bezeichnet werden) begründen direkte, unbedingte und nicht-nachrangige Verpflichtungen der Emittentin und haben untereinander den gleichen Rang.

Fundierte Bankschuldverschreibungen werden durch einen gesonderten Deckungsstock von Deckungswerten besichert, welche zur vorzugsweisen Deckung der Schuldverschreibungen gemäß dem Gesetz betreffend fundierte Bankschuldverschreibungen bestimmt sind. Als Deckungswerte geeignet sind Forderungen, wenn sie zur Anlage von Mündelgeldern geeignet sind, Forderungen und Wertpapiere, wenn ein Pfandrecht dafür in einem öffentlichen Buch eingetragen ist, Forderungen, wenn sie gegen eine inländische Körperschaft des öffentlichen Rechts, einen anderen Mitgliedstaat des Europäischen Wirtschaftsraumes als Österreich oder gegen die Schweiz sowie gegen deren Regionalregierungen oder örtliche Gebietskörperschaften, für welche die zuständigen Behörden nach Art 43 Abs 1 lit b Z 5 der Richtlinie 2000/12/EG eine Gewichtung von höchstens 20% festgelegt haben, bestehen oder wenn eine der vorgenannten Körperschaften die Gewährleistung übernimmt, Wertpapiere, wenn sie von einer der vorgenannten Körperschaften begeben wurden oder wenn eine dieser Körperschaften die Gewährleistung übernimmt, sowie Sicherungsgeschäfte (Derivatverträge) zur Verminderung künftiger Zins-, Währungs- oder Schuldnerisiken. Die Deckungswerte für fundierte Bankschuldverschreibungen werden im Deckungsregister eingetragen, welches von der Emittentin gemäß dem Gesetz betreffend fundierte Bankschuldverschreibungen geführt wird. Die Deckungswerte haben zu jeder Zeit zumindest den Tilgungsbetrag und die Zinsen der ausgegebenen fundierten Bankschuldverschreibungen sowie die voraussichtlichen administrativen Kosten im Falle eines Konkurses der Emittentin zu decken. Die Satzung der Emittentin sieht vor, dass die in den Deckungsstock eingebrachten Vermögenswerte derart bestellt werden, dass der Verkehrswert der im Deckungsfonds enthaltenen Vermögenswerte den Barwert der im Umlauf befindlichen fundierten Bankschuldverschreibungen zuzüglich einer sichernden Überdeckung von mindestens 2% deckt. Die Emittentin plant, die Aufnahme der fundierten Bankschuldverschreibungen in das Kategorie 1 Register der Europäischen Zentralbank zu beantragen.

#### **4 Negativverpflichtung**

So lange Nicht-Nachrangige Schuldverschreibungen, Ratenscheine oder Kuponscheine (wie im Agency Agreement definiert) ausständig sind:

- (i) wird die Emittentin keine Hypothek, Belastung, Pfandrecht oder ein anderes Sicherheitsrecht über ihr Eigentum oder ihre Vermögenswerte, zur Gänze oder teilweise, künftig oder gegenwärtig, zugunsten der Inhaber von Externer Verschuldung (wie unten definiert) für (i) die Zahlung solcher Externer Verschuldung, (ii) eine Zahlung gemäß einer Garantie für eine solche Externe Verschuldung, oder (iii) eine Zahlung gemäß einer Haftung, welche sich auf eine solche Externe Verschuldung bezieht, bestellen oder aufrechterhalten; die Emittentin wird sicherstellen, dass keine ihrer Kern-Tochtergesellschaften (wie in Bedingung 10 definiert) eine der oben beschriebenen Handlungen vornimmt; und

- (ii) wird die Emittentin keine Hypothek, Belastung, Pfandrecht oder ein anderes Sicherheitsrecht über ihr Eigentum oder ihre Vermögenswerte, zur Gänze oder teilweise, künftig oder gegenwärtig, bestellen oder aufrechterhalten, um zu Gunsten der Inhaber einer Externen Verschuldung der Kerngruppe (wie unten definiert) (i) die Zahlung solcher Externer Verschuldung der Kerngruppe, (ii) eine Zahlung gemäß einer Garantie für eine solche Externe Verschuldung, oder (iii) eine Zahlung gemäß einer Haftung, welche sich auf eine solche Externe Verschuldung der Kerngruppe bezieht, zu besichern; die Emittentin wird zumutbare Anstrengungen unternehmen, um sicherzustellen, dass keine ihrer Haftungsverbund Tochtergesellschaften (wie in Bedingung 10 definiert) eine der oben beschriebenen Handlungen vornimmt, ohne in einem solchen Fall zur gleichen Zeit zu Gunsten der Nicht-Nachrangigen Schuldverschreibungen, der Ratenscheine und Kuponscheine (außer wenn es ohnedies bereits so vereinbart war) die gleiche Sicherheit zu bestellen, welche zur Besicherung von Externer Verschuldung, Externer Verschuldung der Kerngruppe, Garantie oder Haftung oder anderer Sicherheit, die durch einen Außerordentlichen Beschluss (wie im Agency Agreement definiert) der Gläubiger der Schuldverschreibung beschlossen wird, geschaffen oder aufrechterhalten wird,

wobei die in (i) und (ii) oben angeführten Einschränkungen nicht für *Pfandbriefe, Kommunalverschreibungen (Öffentliche Pfandbriefe)*, fundierte Bankschuldverschreibungen oder Asset Backed Finanzierungen und vergleichbare Instrumente gelten, einschließlich, aber nicht beschränkt auf, tschechische, slowakische und rumänische Immobilienanleihen, welche von der Emittentin und/oder einer Tochtergesellschaft ausgegeben werden und welche durch österreichisches oder anderes anwendbares Recht geschaffen werden oder gemäß der österreichischen Finanzmarktaufsichtsbehörde oder einer anderen zuständigen Aufsichtsbehörde zulässig sind.

"Asset Backed Finanzierung" bedeutet jede Externe Verschuldung, die durch eine Sicherheit (und jede Sicherheit, die als Ersatz für eine Sicherheit geschaffen wird) in Form einer Hypothek, eines Pfandrechts oder einer anderen Form der Belastung oder eines Sicherheitsrechts (unabhängig, ob diese auch andere Verschuldungen oder Verpflichtungen besichern), die sich auf eine Verbriefung, die Finanzierung, die Refinanzierung, oder den Erwerb eines bestimmten Vermögenswertes oder Vermögens bezieht, besichert wird, aber nur in dem Ausmaß, als eine solche Sicherheit solche bestimmten Vermögenswerte besichert, die finanziert oder erworben wurden und der Rückgriff der Person, die die Externe Verschuldung zur Verfügung stellt oder die entsprechende(n) Vereinbarung(en) eingeht, auf solche bestimmten Vermögenswerte beschränkt ist.

"Externe Verschuldung der Kerngruppe" bedeutet jede gegenwärtige und künftige Verschuldung der Emittentin oder einer ihrer Kern-Tochtergesellschaften in der Form von, oder verkörpert in oder verbrieft durch Schuldverschreibungen, Anleihen, Schuldscheine, Obligationsanleihen, oder andere Wertpapiere, welche zur Zeit notiert, gelistet oder auf sonstige Weise an einer Wertpapierbörse oder außerbörslich oder an einem anderen Wertpapiermarkt gehandelt werden, oder werden könnten.

"Externe Verschuldung" bedeutet jede gegenwärtige und künftige Verschuldung in der Form von, oder verkörpert in oder verbrieft durch Schuldverschreibungen, Anleihen, Schuldscheine, Obligationsanleihen, oder andere Wertpapiere, welche zur Zeit notiert, gelistet oder auf sonstige Weise an einer Wertpapierbörse oder außerbörslich oder an einem anderen Wertpapiermarkt gehandelt werden, oder werden könnten.

## 5 Verzinsung und andere Berechnungen

### (a) *Zinssatz und Zinslauf*

Ausgenommen wie in Bedingung 5(c) vorgesehen ist jede Schuldverschreibung auf ihren ausstehenden Kapitalbetrag ab (einschließlich) dem Zinsbeginnstag mit dem Zinssatz (ausgedrückt als Prozentsatz) jährlich zu verzinsen, wobei solche Zinsen im Nachhinein an jedem Zinszahlungstag zahlbar sind.

Der Zinslauf für jede Schuldverschreibung endet (wenn ein solcher vorgesehen ist) am Tilgungstag (dieser ausgenommen), sofern nicht die Zahlung des Kapitals nach rechtmäßiger Vorlage unrechtmäßig zurückgehalten oder abgelehnt wird; in einem solchen Fall fallen Zinsen weiter an (sowohl nach als auch vor einem Gerichtsurteil) zu dem in dieser Bedingung 5 vorgesehenem Zinssatz bis zum Relevanten Datum (wie in Bedingung 8 definiert).

### (b) *Zinssatz für Variabel Verzinsliche Schuldverschreibungen und Schuldverschreibungen mit indexgebundener Verzinsung*

(i) Zinszahlungstage: Ausgenommen wie in Bedingung 5(c) bestimmt, wird jede Variabel Verzinsliche Schuldverschreibung und Schuldverschreibung mit indexgebundener Verzinsung auf ihren ausstehenden Kapitalbetrag ab dem Zinsbeginnstag mit dem Zinssatz (ausgedrückt als Prozentsatz) jährlich verzinst, wobei solche Zinsen im Nachhinein an jedem Zinszahlungstag zahlbar sind. Ein solcher Zinszahlungstag oder solche Zinszahlungstage sind entweder die, welche in den Endgültigen Bedingungen als Bestimmte Zinszahlungstage benannt sind, oder, wenn keine Bestimmten Zinszahlungstage darin benannt sind, jeder Zeitpunkt, der nach einer Anzahl von Monaten oder einem anderen Zeitraum, welcher in den Endgültigen Bedingungen als Zinsperiode benannt ist, nach dem vorhergehenden Zinszahlungstag, oder, im Falle des ersten Zinszahlungstages, nach dem Zinsbeginnstag fällt.

(ii) Business Day Convention: Wenn ein Zeitpunkt, auf den in diesen Bedingungen Bezug genommen wird, und gemäß einer Business Day Convention anzupassen ist, auf einen Tag fallen würde, welcher kein Geschäftstag ist, dann wird, wenn die Business Day Convention benannt ist als:

(A) die Floating Rate Business Day Convention, ein solcher Zeitpunkt auf den nächsten Tag, der ein Geschäftstag ist, verschoben, außer dies würde dazu führen, dass er in den nächsten Kalendermonat fallen würde; in einem solchen Fall (x) wird dieser Zeitpunkt auf den unmittelbar vorhergehenden Geschäftstag vorgezogen, und (y) ist der nächste solche Zeitpunkt der letzte Geschäftstag jenes Monats, in welchen dieser Zeitpunkt gefallen wäre, wenn er nicht angepasst worden wäre;

(B) die Following Business Day Convention, ein solcher Zeitpunkt auf den nächsten Geschäftstag verschoben;

(C) die Modified Following Business Day Convention, ein solcher Zeitpunkt auf den nächsten Tag, der ein Geschäftstag ist, verschoben, außer dies würde dazu führen, dass er in den nächsten Kalendermonat fallen würde; in einem solchen Fall wird das Datum auf den unmittelbar vorhergehenden Geschäftstag vorgezogen; oder

- (D) die Preceding Business Day Convention, ein solcher Zeitpunkt auf den unmittelbar vorhergehenden Geschäftstag vorgezogen.
- (iii) Zinssatz für Variabel Verzinsliche Schuldverschreibungen: Der Zinssatz für Variabel Verzinsliche Schuldverschreibungen wird für jede Zinslaufperiode in der in den Endgültigen Bedingungen bestimmten anwendbaren Weise festgelegt und die nachfolgenden Bestimmungen hinsichtlich der ISDA Feststellung oder der Bildschirmseitenfeststellung sind anwendbar, je nach dem, wie hierin bezeichnet.

(A) ISDA Feststellung für Variabel Verzinsliche Schuldverschreibungen

Wenn die ISDA Feststellung in den Endgültigen Bedingungen als die Methode bezeichnet wird, nach welcher der Zinssatz zu bestimmen ist, wird der Zinssatz für die jeweilige Zinslaufperiode durch die Berechnungsstelle mit jenem Zinssatz festgelegt, welcher dem anwendbaren ISDA Satz entspricht. Für Zwecke dieses Unterabsatzes (A) bedeutet "ISDA Satz" für eine Zinslaufperiode einen Satz, der dem variablen Zinssatz entspricht, welcher von der Berechnungsstelle gemäß einer Swap-Transaktion unter den Bedingungen einer Vereinbarung festgelegt wurde, welche die ISDA Definitionen beinhaltet und gemäß welcher:

- (x) die Floating Rate Option wie hierin lautet,
- (y) die Designated Maturity ein Zeitraum ist, der in den Endgültigen Bedingungen bestimmt wird, und
- (z) das maßgebliche Reset Date der erste Tag dieser Zinslaufperiode ist, wenn nichts anderes in den Endgültigen Bedingungen bestimmt ist.

Für die Zwecke dieses Unterabsatzes (A) haben die Begriffe "variabler Zinssatz", "Berechnungsstelle", "Floating Rate Option", "Designated Maturity", "Reset Date" und "Swap Transaktion" jene Bedeutungen, die ihnen in den ISDA Definitionen zugewiesen werden.

(B) Bildschirmseitenfeststellung für Variabel Verzinsliche Schuldverschreibungen

- (x) Wenn Bildschirmseitenfeststellung in den Endgültigen Bedingungen als jene Methode, mit welcher der Zinssatz festgelegt wird, bestimmt ist, ist der Zinssatz für jede Zinslaufperiode, wenn nachstehend nichts anders bestimmt ist, entweder:

- (1) die angebotene Quotierung; oder
- (2) das arithmetische Mittel der angebotenen Quotierungen, (ausgedrückt als jährlicher Prozentsatz) für den Referenzzinssatz, die Referenzzinssätze, welche(r) auf der Maßgeblichen Bildschirmseite entweder um 11.00 Uhr (Londoner Ortszeit im Falle von LIBOR, oder Brüsseler Ortszeit im Falle EURIBOR) am in Frage kommenden Zinsfestlegungstag von der Berechnungsstelle festgelegt werden. Wenn fünf oder mehr solcher

angebotener Quotierungen auf der Maßgeblichen Bildschirmseite verfügbar sind, werden die höchste Quotierung (oder wenn mehrere höchste Quotierungen vorhanden sind, nur eine dieser Quotierungen) und die niedrigste Quotierung (oder, wenn mehrere niedrigste Quotierungen vorhanden sind, nur eine dieser Quotierungen) von der Berechnungsstelle für Zwecke der Bestimmung des arithmetischen Mittels der angebotenen Quotierungen nicht beachtet.

Wenn der Referenzzinssatz hinsichtlich der Variabel Verzinslichen Schuldverschreibungen in den anwendbaren Endgültigen Bedingungen entweder als LIBOR oder EURIBOR festgelegt wird, wird der Zinssatz für diese Schuldverschreibungen wie in den anwendbaren Endgültigen Bedingungen vorgesehen festgelegt.

- (y) Wenn die maßgebliche Bildschirmseite nicht verfügbar ist, oder wenn Unterabsatz (x)(1) anwendbar ist und keine solche angebotene Quotierung auf der maßgeblichen Bildschirmseite erscheint oder wenn Unterabsatz (x)(2) anwendbar ist und weniger als drei solcher angebotenen Quotierungen auf der maßgeblichen Bildschirmseite in jedem Fall zu der oben angegebenen Zeit erscheinen, wird die Berechnungsstelle, wenn nachstehend nichts anderes vorgesehen ist, verlangen, dass, wenn der Referenzzinssatz LIBOR ist, die Hauptgeschäftsstelle in London einer jeden Referenzbank, oder wenn der Referenzzinssatz EURIBOR ist, die Hauptgeschäftsstelle in der Eurozone einer jeden Referenzbank, der Berechnungsstelle ihre angebotene Quotierung zur Verfügung stellt (ausgedrückt als jährlicher Prozentsatz). Wenn der Referenzzinssatz LIBOR ist, geschieht dies um ungefähr 11.00 Uhr (Londoner Zeit) oder, wenn die Referenzrate EURIBOR ist, um ungefähr 11.00 Uhr (Brüsseler Zeit) an jedem in Frage kommenden Zinsfestlegungstag. Wenn zwei oder mehrere der Referenzbanken die Berechnungsstelle mit solchen angebotenen Quotierungen versorgen, wird der Zinssatz für eine solche Zinsperiode das arithmetische Mittel der angebotenen Quotierungen sein, wie er von der Berechnungsstelle festgesetzt wird.
- (z) Wenn Absatz (y) oben anwendbar ist und die Berechnungsstelle feststellt, dass weniger als zwei Referenzbanken angebotene Quotierungen zur Verfügung stellen, dann ist, wenn nachstehend nichts anderes festgelegt ist, der Zinssatz das arithmetische Mittel der der Berechnungsstelle (auf ihre Anforderung) von den Referenzbanken oder zwei oder mehreren von ihnen mitgeteilten Zinssätze p.a. (ausgedrückt als Prozentsatz), zu welchen diesen Banken Einlagen in der Festgesetzten Währung für einen Zeitraum angeboten wurden, welcher gleich zu jenem ist, welcher von den Banken für den Referenzzinssatz herangezogen worden wäre, um, wenn der Referenzzinssatz LIBOR ist, ungefähr 11.00 Uhr (Londoner Zeit) oder, wenn der Referenzzinssatz EURIBOR ist, um ungefähr 11.00 Uhr (Brüsseler Zeit) am jeweiligen

Zinsfestlegungstag, im, wenn der Referenzzinssatz LIBOR ist, London Interbankenmarkt, oder wenn der Referenzzinssatz EURIBOR ist, dem Eurozone Interbankenmarkt, je nachdem; oder wenn weniger als zwei der Referenzbanken der Berechnungsstelle solche angebotenen Zinssätze zur Verfügung stellen, der angebotene Zinssatz für Einlagen in der Festgesetzten Währung für einen Zeitraum, welcher jenem entspricht, der für den Referenzzinssatz anwendbar gewesen wäre, oder das arithmetische Mittel der angebotenen Zinssätze für Einlagen in der Festgesetzten Währung für einen Zeitraum, der jenem entspricht, der für den Referenzzinssatz anwendbar gewesen wäre, über welchen, wenn der Referenzzinssatz LIBOR ist, um ungefähr 11.00 Uhr (Londoner Zeit), oder, wenn die Referenzrate EURIBOR ist, um ungefähr 11.00 Uhr (Brüsseler Zeit), am jeweiligen Zinsfestlegungstag, eine oder mehrere Banken (welche nach Meinung der Berechnungsstelle für diesen Zweck geeignet sind) die Berechnungsstelle informiert, dass sie diesen anführende Banken im, wenn der Referenzzinssatz LIBOR ist, Londoner Interbankenmarkt, oder, wenn der Referenzzinssatz EURIBOR ist, im Eurozone Interbankenmarkt, anbietet, vorausgesetzt, dass wenn der Zinssatz gemäß den vorstehenden Bestimmungen dieses Absatzes nicht bestimmt werden kann, die Zinsrate wie am letzten vorhergehenden Zinsfestlegungstag festgelegt werden soll (aber wenn eine andere Marge oder ein anderer Maximal- oder Minimumzinssatz als jener, welche(r) auf die letzte vorhergehende Zinslaufperiode anwendbar war, auf die jeweilige Zinslaufperiode anwendbar ist, wird die Marge oder der Maximal- oder Minimumzinssatz, die/der auf die relevante Zinslaufperiode anwendbar wäre, an die Stelle der Marge oder des Maximal- oder Minimumzinssatzes der letzten vorhergehenden Zinslaufperiode gesetzt).

- (iv) Zinssatz für Schuldverschreibungen mit indexgebundener Verzinsung: Der Zinssatz für Schuldverschreibungen mit indexgebundener Verzinsung für jede Zinslaufperiode wird in der in den Endgültigen Bedingungen festgelegten Weise bestimmt und Zinsen laufen gemäß einer Bezugnahme auf einen Index oder eine Formel auf, wie in den Endgültigen Bedingungen festgesetzt.

Für eine Beschreibung bestimmter Risiken, die sich auf eine Veranlagung in solchen Schuldverschreibungen beziehen, siehe "Risk Factors - Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme - Index-linked Notes", die Zusammenfassung und die maßgeblichen Endgültigen Bedingungen.

**(c) Tier 1 Schuldverschreibungen – Keine Zinsnachzahlungspflicht**

- (i) Zinszahlungen auf Tier 1 Schuldverschreibungen sind nicht kumulativ und fallen auf Grundlage einer täglichen Berechnung an. Zinsen auf Tier 1 Schuldverschreibungen sind von der Emittentin zahlbar, wobei die Emittentin nicht zur Zahlung von Zinszahlungen in einem Geschäftsjahr verpflichtet ist, wenn:

- (A) die Summe dieser Zinszahlungen, zusammen mit:

- (aa) allen Zinszahlungen (einschließlich von diesbezüglichen zusätzlichen Beträgen, wie in Bedingung 8 beschrieben), die von der Emittentin zuvor hinsichtlich der Tier 1 Schuldverschreibungen im jeweils laufenden Geschäftsjahr bereits bezahlt wurden;
- (bb) allen Ausschüttungen oder anderen Zahlungen, die zuvor auf gleichrangige Wertpapiere (wie unten definiert) im jeweils laufenden Geschäftsjahr geleistet wurden; und
- (cc) allen Ausschüttungen oder anderen Zahlungen, die in Hinblick auf gleichrangige Wertpapiere im jeweils laufenden Geschäftsjahr vorgeschlagen oder nach vernünftiger Einschätzung wahrscheinlich zahlbar sind,

die ausschüttungsfähigen Mittel (wie nachstehend definiert) übersteigen würde,

oder, selbst wenn genügend ausschüttungsfähige Mittel verfügbar sind, soweit (i) der Vorstand der Emittentin beschlossen hat, dass die Emittentin hinsichtlich einer Zahlung auf gleichrangige Wertpapiere (wie nachstehend definiert) aufgrund der anwendbaren österreichischen bankrechtlichen Vorschriften für Banken, die ihre Eigenmittelquoten gemäß Bankwesengesetz nicht erreichen, eingeschränkt wäre, oder (ii) eine Zwangsmaßnahme der FMA (oder einer anderen relevanten Regulierungsbehörde) in Kraft ist, die der Emittentin die Verteilung von Gewinnen untersagt.

- (B) Vorbehaltlich der Bedingung 5(c)(ii) ist die Emittentin weiters in ihrem alleinigen Ermessen berechtigt zu entscheiden, keine Zinszahlungen auf die Tier 1 Schuldverschreibungen zu leisten (das „Wahlrecht zur Nichtzahlung“)
- (ii) Unbeschadet der Bedingung 5(c)(i)(B), aber stets im Einklang mit Bedingung 5(c)(i)(A) wird die Emittentin Zinszahlungen wie nachstehend beschrieben tätigen, wenn sie oder eine Emissionsgesellschaft:
  - (A) Dividenden oder Zinsen oder andere Zahlungen oder Ausschüttungen auf zinsgleichrangige Wertpapiere (wie nachstehend definiert) beschließt oder zahlt (auf andere Weise als wegen dieser Bedingung oder einer Bedingung mit im wesentlich gleicher Wirkung bei zinsgleichrangigen Wertpapieren, die durch diese Bedingung ausgelöst wird), und die Dividenden oder Zins- oder anderen Zahlungen oder Ausschüttungen auf solche zinsgleichrangigen Wertpapiere der volle auf diese zinsgleichrangigen Wertpapiere zahlbare Betrag war. Zinszahlungen erfolgen in diesem Fall im vollen Ausmaß an jedem Zinszahlungstag innerhalb von sechs Monaten ab dem Tag, an dem solche Dividenden oder Zinszahlungen oder andere Zahlungen oder Ausschüttungen auf zinsgleichrangige Wertpapiere beschlossen oder bezahlt wurden. Wenn solche Dividenden oder Zinszahlungen oder andere Zahlungen oder Ausschüttungen auf zinsgleichrangige Wertpapiere nur eine Teilzahlung des geschuldeten Betrages darstellen, reduziert sich die zahlbare Zinszahlung(en) in diesen sechs Monaten entsprechend;
  - (B) Dividenden oder Zinsen oder andere Zahlungen oder Ausschüttungen auf nachrangige Wertpapiere (wie unten definiert) beschließt oder zahlt, ausgenommen an andere Gesellschaften der



Gruppe. Zinszahlungen erfolgen diesfalls zur Gänze an jedem Zinszahlungstag innerhalb von sechs Monaten ab dem Tag, an dem solche Dividenden oder Zinszahlungen oder andere Zahlungen oder Ausschüttungen auf solche nachrangigen Wertpapiere beschlossen oder bezahlt wurden;

- (C) gleichrangige Wertpapiere oder nachrangige Wertpapiere entgeltlich tilgt, zurückkauft oder anderweitig erwirbt, ausgenommen durch Ersetzung, Umwandlung oder Tausch in Stammaktienkapital der Emittentin, oder ausgenommen, wenn eine solche Tilgung, Rückkauf oder Erwerb direkt oder indirekt durch die Emission von Stammaktienkapital finanziert wird oder ausgenommen, wenn solche gleichrangigen Wertpapiere oder nachrangigen Wertpapiere (i) durch die Emittentin im Rahmen der ordentlichen Geschäftstätigkeit ihrer Investmentbanking- oder Handelsaktivitäten, oder (ii) um Verpflichtungen aus Aktienoptions- oder Mitarbeiterbeteiligungsprogrammen zu erfüllen, jeweils wie nach österreichischem Aktiengesetz erlaubt, getilgt, zurückgekauft oder anderweitig erworben werden. Zinszahlungen erfolgen in diesem Fall zur Gänze an jedem Zinszahlungstag innerhalb von sechs Monaten ab dem Tag, an dem die Tilgung, der Rückkauf oder der anderweitige Erwerb erfolgt sind.
- (iii) Wenn die Emittentin Zinsen auf die Tier 1 Schuldverschreibungen in einer Zinsperiode nicht bezahlt, erlischt das Recht der Inhaber von Tier 1 Schuldverschreibungen, Zinsen in der am betreffenden Zinszahlungstag endenden Zinsperiode zu erhalten und die Emittentin ist nicht verpflichtet, und beabsichtigt auch nicht, Zinsen, die in dieser Zinsperiode angefallen sind oder sonstige Zinsen zu zahlen, unabhängig davon, ob Zinsen auf die Tier 1 Schuldverschreibungen für eine künftige Zinsperiode bezahlt werden, ausgenommen wie in Bedingung 5(c) geregelt.
- (iv) Wenn aufgrund der Beschränkungen dieser Bedingung 5(c) Zinsen auf die Tier 1 Schuldverschreibungen und auf gleichrangige Wertpapiere nicht zur Gänze bezahlt werden, sind alle auf Tier 1 Schuldverschreibungen zahlbaren Zinsen und alle Dividenden, Zinsen oder anderen Ausschüttungen auf gleichrangige Wertpapiere anteilig in jenem Verhältnis zahlbar, das dem zur Zahlung auf die Tier 1 Schuldverschreibungen und auf solche gleichrangigen Wertpapiere zum Fälligkeitstag verfügbaren Betrag zum gesamten Betrag, der auf die Tier 1 Schuldverschreibungen und solche gleichrangigen Wertpapiere ohne diese Beschränkungen zahlbar gewesen wäre, entspricht, und sämtliche Ansprüche hinsichtlich der Differenz zwischen dem gesamten Betrag und dem solcherart zahlbaren Betrag erlöschen. Wenn Zinsen in Übereinstimmung mit der vorangegangenen Regelung nicht zur Gänze bezahlt werden, werden die Inhaber der Tier 1 Schuldverschreibungen gemäß Bedingung 14 benachrichtigt.
- (v) Ausgenommen während einer Finanziellen Krise, wird die Emittentin keine bevorzugten Wertpapiere oder Vorzugsaktien oder anderen Wertpapiere begeben, (i) die vorrangig gegenüber ihren Verpflichtungen aus den Tier 1 Schuldverschreibungen sind und (ii) welche jeweils Tier 1 Kapital darstellen (oder darzustellen vermögen) oder eine Patronatserklärung oder Garantie für von einer Tochtergesellschaft der Emittentin oder einer Zweckgesellschaft oder Gesellschaft mit geschützten Zellen begebene bevorzugten Wertpapiere oder Vorzugsaktien oder andere Wertpapiere abgeben, welche jeweils Tier 1 Kapital darstellen (oder darzustellen vermögen), wenn diese Patronatserklärung oder Garantie (einschließlich einer Patronatserklärung oder Garantie, die einen Vorrang bei der Zahlung von ausschüttungsfähigen

Mitteln vorsieht) vorrangig gegenüber den Tier 1 Schuldverschreibungen wäre, ausgenommen (a) die Bedingungen der Tier 1 Schuldverschreibungen werden abgeändert, um den Inhabern der Schuldverschreibungen jene Rechte einzuräumen, die in diesen bevorzugten Wertpapieren oder Vorzugsaktien oder anderen Wertpapieren oder diesen anderen Patronatserklärungen oder Garantien verbrieft sind, sodass die Tier 1 Schuldverschreibungen hinsichtlich der Reihenfolge der Zahlungen aus den ausschüttungsfähigen Mitteln gleichrangig sind und im Wesentlichen über dieselben Rechte verfügen wie diese bevorzugten Wertpapiere oder Vorzugsaktien oder solche anderen Wertpapiere oder anderen Patronatserklärungen oder Garantien, und (b) die Emittentin hat die jüngste Zinszahlung zur Gänze bezahlt. "Finanzielle Krise" meint den Umstand, dass die gesetzliche Mindesteigenmittelquote der Emittentin (auf konsolidierter und/oder Einzelinstitutsebene) und/oder, soweit dies von der FMA gefordert wird, eines Mitglieds der Kreditinstitutsgruppe der Emittentin nach Ansicht der FMA unterschritten wird, oder eine solche Unterschreitung droht.

- (vi) Die Emittentin sagt zu, dass gleichrangige Wertpapiere oder nachrangige Wertpapiere durch die Emittentin oder eine Tochtergesellschaft nicht getilgt oder anderweitig entgeltlich erworben werden (oder Mittel an einen "sinking fund" für die Tilgung solcher Wertpapiere bezahlen oder verfügbar gemacht werden) (ausgenommen durch Umwandlung in oder Tausch gegen Aktien der Emittentin, die nachrangig gegenüber den Verpflichtungen der Emittentin aus den Tier 1 Schuldverschreibungen sind), solange die Emittentin nicht in der Lage ist, die Zinszahlungen zur Gänze zu leisten, bis die Emittentin die Zahlung der gesamten Zinszahlungen auf alle ausstehenden Tier 1 Schuldverschreibungen für sechs Monate wieder aufgenommen oder tatsächlich rückgestellt hat, ausgenommen diese gleichrangigen Wertpapiere oder nachrangigen Wertpapiere werden (i) im Rahmen der ordentlichen Geschäftstätigkeit der Investmentbanking- oder Handelsaktivitäten der Emittentin oder (ii) um Verpflichtungen aus Aktienoptions- oder Mitarbeiterbeteiligungsprogrammen zu erfüllen, jeweils wie nach österreichischem Aktiengesetz erlaubt, zurückgekauft oder anderweitig erworben.

**(d) Zinssatz für Nullkupon-Schuldverschreibungen**

Wenn eine Schuldverschreibung, deren Zinssatz in den Endgültigen Bedingungen als Nullkupon benannt wird, vor dem Tilgungstag zu tilgen ist und bei Fälligkeit nicht bezahlt wird, entspricht der fällige und zahlbare Betrag vor dem Tilgungstag dem Vorzeitigen Tilgungsbetrag dieser Schuldverschreibung. Ab dem Tilgungstag ist der Zinssatz für den überfälligen Kapitalbetrag einer solchen Schuldverschreibung der jährliche Zinssatz (ausgedrückt als Prozentsatz), der der Amortisationsrendite (wie in Bedingung 6(a)(v)(B) definiert) entspricht.

**(e) Doppelwährungs-Schuldverschreibungen**

Im Fall von Doppelwährungs-Schuldverschreibungen ist der Zinssatz oder der Betrag der zahlbaren Zinsen in der Weise zu bestimmen, die in den Endgültigen Bedingungen benannt ist, wenn der Zinssatz oder der Betrag der Zinsen durch Bezug auf einen Wechselkurs oder eine Methode zur Berechnung eines Wechselkurses zu bestimmen ist.

**(f) Teileingezahlte Schuldverschreibungen**

Im Fall von Teileingezahlten Schuldverschreibungen (ausgenommen Teileingezahlte Schuldverschreibungen, die Nullkupon Schuldverschreibungen sind), fallen Zinsen, wie oben angegeben, auf den einbezahlten Teilbetrag solcher

Schuldverschreibungen an, und ansonsten wie in den Endgültigen Bedingungen angegeben.

**(g) Zinslauf**

Die Verzinsung endet für jede Schuldverschreibung am Fälligkeitstag der Tilgung, ausgenommen die Zahlung wird bei ordnungsgemäßer Vorlage unrechtmäßigerweise zurückbehalten oder verweigert, in welchem Fall Zinsen bis zum Relevanten Datum (wie in Bedingung 8 definiert) weiter auflaufen (sowohl nach als auch vor einem Gerichtsurteil) zu dem Zinssatz und in der Weise wie in dieser Bedingung 5 vorgesehen.

**(h) Verzinsung von aktiengebundenen Schuldverschreibungen, fondsgebundenen Schuldverschreibungen, kreditgebundenen Schuldverschreibungen (Credit Linked Notes), rohstoffgebundenen Schuldverschreibungen, futuresgebundenen Schuldverschreibungen und anderen Schuldverschreibungen**

Im Fall von aktiengebundenen Schuldverschreibungen, fondsgebundenen Schuldverschreibungen, kreditgebundenen Schuldverschreibungen, rohstoffgebundenen Schuldverschreibungen oder anderen Schuldverschreibungen ist der Zinssatz oder der zahlbare Zinsbetrag für jede Zinslaufperiode oder jeden Zinszahlungstag durch Bezug auf einen Aktien-, Fonds- oder Rohstoff- oder Future Kontrakt-Basiswert oder einen Korb von Aktien-, Fonds- oder Rohstoff- oder Future Kontrakt-Basiswerten oder eine Formel, je nachdem wie in den Endgültigen Bedingungen angegeben, zu bestimmen.

Kreditgebundene Schuldverschreibungen (Credit Linked Notes) werden wie in den Endgültigen Bedingungen angegeben verzinst. Insbesondere kann in den Endgültigen Bedingungen angegeben werden, dass die Verzinsung bei Eintritt eines oder mehrerer Kreditereignisse (Credit Events) eingestellt oder verringert wird und dass die 2003 Credit Derivatives Definitions, welche von Zeit zu Zeit von der International Swaps and Derivatives Association Inc. veröffentlicht werden, ein integraler zusätzlicher Bestandteil sind.

*Für eine Beschreibung bestimmter Risiken, die sich auf eine Veranlagung in solchen Schuldverschreibungen beziehen, siehe "Risk Factors - Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme - Equity-linked Notes / Fund-linked Notes / Credit-linked Notes / Commodity-linked Notes / Future-linked Notes / Notes Linked to Hedge Funds", die Zusammenfassung und die maßgeblichen Endgültigen Bedingungen.*

**(i) Marge, Maximal- oder Minimumzinssätze, Teilzahlungsbeträge und Tilgungsbeträge und Rundung**

(i) Wenn eine Marge in den Endgültigen Bedingungen angegeben ist (entweder (x) im Allgemeinen, oder (y) in Bezug auf eine oder mehrere Zinslaufperioden, wird im Falle von (x) eine Anpassung der Zinssätze für die angegebenen Zinslaufperioden vorgenommen, oder im Falle von (y) in Übereinstimmung mit (d) oben durch Addition (wenn dies eine positive Zahl ist), oder Subtraktion des absoluten Wertes (wenn dies eine negative Zahl ist) jener Marge berechnet, soweit der nachstehende Absatz nichts anderes bestimmt.

(ii) Wenn ein Maximal- oder Minimumzinssatz, Teilzahlungsbetrag oder Tilgungsbetrag in den Endgültigen Bedingungen angegeben ist, dann unterliegt jeder Zinssatz, Teilzahlungsbetrag oder Tilgungsbetrag jeweils diesem Maximum oder Minimum.

- (iii) Soweit anwendbares Recht nicht entgegensteht, werden für die Zwecke von Berechnungen, welche gemäß diesen Bedingungen notwendig sind (außer es ist anders angegeben) (x) alle Prozentsätze, welche aus solchen Berechnungen resultieren, gerundet, wenn notwendig, bis zum nächsten Hunderttausendstel eines Prozentpunktes (wobei Hälften aufgerundet werden) (y) alle Zahlen auf sieben Stellen gerundet, wobei Hälften aufgerundet werden), und (z) alle Währungsbeträge, die fällig und zahlbar werden, auf die nächste Einheit einer solchen Währung aufgerundet (wobei Hälften aufgerundet werden). Für diese Zwecke bedeutet "Einheit", im Bezug auf eine andere Währung als Euro, den niedrigsten Betrag einer solchen Währung, der als gesetzliches Zahlungsmittel in dem Land oder den Ländern dieser Währung verfügbar ist, und hinsichtlich des Euro 0,01 Euro.

**(j) Berechnungen**

Wenn ein Zinsbetrag (oder eine Formel für seine Berechnung) für einen bestimmten Zeitraum festgesetzt ist, entspricht der Betrag an zahlbaren Zinsen hinsichtlich einer solchen Schuldverschreibung für einen solchen Zeitraum diesem Zinsbetrag (oder er wird in Übereinstimmung mit einer solchen Formel berechnet). Wenn kein Zinsbetrag (oder keine solche Formel) auf diese Weise festgesetzt ist, wird, wenn nicht anderweitig in den anwendbaren Endgültigen Bedingungen vorgesehen und ausgenommen im Fall von effektiven Stücken bei denen ein Festzinssatzbetrag oder ein Bruchteilmbetrag in den anwendbaren Endgültigen Bedingungen bestimmt ist, der Betrag an zahlbaren Zinsen hinsichtlich einer Schuldverschreibung für einen solchen Zeitraum berechnet, indem der Zinssatz (i) bei Sammelurkunden auf das gesamte ausstehende Nominale der Schuldverschreibungen, die durch die Sammelurkunde vertreten werden angewendet wird, dividiert durch die Anzahl der durch diese Sammelurkunde vertretenen Schuldverschreibungen; oder (ii) im Falle von effektiven Stücken, auf den Rechnungsbetrag angewendet wird, wie in den Endgültigen Bedingungen angegeben, und in beiden Fällen dieser Betrag mit dem Zinstagequotienten multipliziert wird und die resultierende Zahl auf die nächste Untereinheit der festgesetzten Währung gerundet wird, wobei die Hälfte einer solchen Untereinheit nach oben gerundet wird oder anders, jeweils in Übereinstimmung mit der anwendbaren Marktconvention. Wenn die festgelegte Stückelung einer Schuldverschreibung, die als effektives Stück ausgegeben wurde, mehr als einen Rechnungsbetrag enthält, sind die als Zinsen zahlbaren Beträge in Hinblick auf eine solche Schuldverschreibung die Summe der Beträge (wie in der oben genannten Weise bestimmt) für jeden Rechnungsbetrag, der die festgelegte Stückelung enthält, ohne weitere Rundung.

Wenn eine Zinsperiode zwei oder mehrere Zinslaufperioden umfasst, ist der Betrag an zahlbaren Zinsen für eine solche Zinsperiode die Summe der Beträge der zahlbaren Zinsen für jede dieser Zinslaufperioden.

**(k) Festsetzung und Veröffentlichung von Zinssätzen, Zinsbeträgen, Endgültigen Tilgungsbeträgen, Vorzeitigen Tilgungsbeträgen, Optionalen Tilgungsbeträgen und Teilzahlungsbeträgen**

Sobald durchführbar nach der Maßgeblichen Zeit an jedem Zinsfestlegungstag oder einer solchen anderen Zeit zu einem solchen Zeitpunkt, an dem die Berechnungsstelle verpflichtet ist, einen Zinssatz oder einen Betrag zu berechnen, eine Quotierung zu erhalten oder eine Festsetzung oder Berechnung zu machen, wird die Berechnungsstelle einen solchen Zinssatz bestimmen und den zahlbaren Zinsbetrag (der "Zinsbetrag") hinsichtlich einer jeden Festgelegten Stückelung der Schuldverschreibungen für die jeweilige Zinslaufperiode berechnen, sowie den Endgültigen Tilgungsbetrag, den Vorzeitigen Tilgungsbetrag, den Optionalen Tilgungsbetrag oder den Teilzahlungsbetrag berechnen, die jeweilige Quotierung

erhalten oder die jeweilige Festsetzung oder Berechnung durchführen, je nachdem, und veranlassen, dass der Zinssatz und die Zinsbeträge für jede Zinsperiode und der maßgebliche Zinszahlungstag und, wenn diese Berechnung notwendig ist, der Endgültige Tilgungsbetrag, der Vorzeitige Tilgungsbetrag, der Optionale Tilgungsbetrag oder der Teilzahlungsbetrag dem Fiskalagenten, der Emittentin, jeder Zahlstelle, den Gläubigern der Schuldverschreibung, jeder anderen Berechnungsstelle, die hinsichtlich der Schuldverschreibungen bestellt wurde, und welche eine weitere Berechnung nach Erhalt einer solchen Information machen muss, und, wenn die Schuldverschreibungen an einer Börse notieren und die Regeln dieser Börse oder einer anderen maßgeblichen Behörde dies verlangen, der Behörde oder der anderen maßgeblichen Behörde angezeigt werden, sobald als möglich nach der Festsetzung, aber in keinem Fall später als (i) zu Beginn der maßgeblichen Zinsperiode, wenn vor diesem Zeitpunkt festgelegt, im Falle der Anzeige eines Zinssatzes oder Zinsbetrages an eine solche Börse, oder (ii) in allen anderen Fällen am vierten Geschäftstag nach einer solchen Festlegung. Falls ein Zinszahlungstag oder eine Zinsperiode gemäß Bedingung 5(b) anzupassen sind, können die solcherart veröffentlichten Zinsbeträge und der Zinszahlungstag nachträglich ohne Anzeige im Falle einer Ausweitung oder Verkürzung der Zinsperiode geändert werden (oder geeignete alternative Arrangements können durch Anpassung gemacht werden). Wenn die Schuldverschreibungen gemäß Bedingung 10 fällig und zahlbar werden, werden die aufgelaufenen Zinsen und der Zinssatz, die im Hinblick auf die Schuldverschreibungen zahlbar sind, weiterhin ungeachtet dessen wie zuvor in Übereinstimmung mit dieser Bedingung berechnet, wobei jedoch eine Veröffentlichung des Zinssatzes oder des Zinsbetrages, der auf diese Art berechnet wird, nicht erfolgen muss. Die Bestimmung eines Zinssatzes oder eines Betrages, die Einholung einer Quotierung und die Durchführung einer Festsetzung oder Berechnung durch die Berechnungsstelle ist (ausgenommen im Falle eines offensichtlichen Irrtums) endgültig und bindend für alle Parteien.

**(I) Definitionen**

In diesen Bedingungen haben die folgenden definierten Begriffe die nachfolgenden Bedeutungen, sofern nicht der Zusammenhang etwas anderes verlangt:

"Bankwesengesetz" meint das österreichische Bankwesengesetz 1993 in der geltenden Fassung.

"Aktienkapital" meint die Stammaktien der Emittentin, gemeinsam mit allen anderen Wertpapieren der Emittentin (einschließlich Vorzugsaktien), die gleichrangig mit den Stammaktien der Emittentin hinsichtlich der Beteiligung am Liquidationserlös sind.

"Geschäftstag" bedeutet:

- (i) im Falle einer anderen festgesetzten Währung als Euro, ein Tag außer Samstag und Sonntag, an dem Geschäftsbanken und Devisenmärkte in dem Hauptfinanzzentrum Zahlungen abwickeln; und/oder
- (ii) Im Falle von Euro, ein Tag, an dem das TARGET System zur Abwicklung von Zahlungen in Euro zur Verfügung steht (ein "TARGET Geschäftstag"); und/oder
- (iii) im Falle einer festgesetzten Währung und/oder einer oder mehrerer festgesetzter Finanzzentren, ein Tag (außer Samstag und Sonntag), an dem Geschäftsbanken und Devisenmärkte Zahlungen in der festgesetzten Währung oder, wenn keine angegeben ist, generell in jedem der Finanzzentren, die festgesetzt sind, abwickeln.

"Betrag bei Tilgung aus Anrechenbarkeitsgründen" meint den in den Endgültigen Bedingungen als solchen bezeichneten Betrag.

"Kreditinstitutsgruppe" meint alle Gesellschaften, die mit der Emittentin gemäß § 30 Bankwesengesetz konsolidiert werden.

"Zinstagequotient" bedeutet hinsichtlich der Berechnung eines Zinsbetrages für eine Schuldverschreibung für jedweden Zeitraum (ab und inklusive dem ersten Tag eines solchen Zeitraumes bis und exklusive dem letzten) (ungeachtet dessen, ob er eine Zinsperiode darstellt, der "Berechnungszeitraum"):

- (i) wenn in den Endgültigen Bedingungen "Actual/365" oder Actual/Actual - ISDA" bestimmt ist, die tatsächliche Anzahl von Tagen im Berechnungszeitraum, geteilt durch 365 (oder, falls ein Teil des Berechnungszeitraumes in ein Schaltjahr fällt, geteilt durch die Summe (x) der tatsächlichen Anzahl der Tage in dem Teil des Berechnungszeitraumes, der in ein Schaltjahr fällt, geteilt durch 366, und (y) der tatsächlichen Anzahl der Tage in dem Teil der Berechnungsperiode, der nicht in ein Schaltjahr fällt, geteilt durch 365);
- (ii) wenn in den Endgültigen Bedingungen "Actual/365 (Fixed)" bestimmt ist, die tatsächliche Anzahl von Tagen im Berechnungszeitraum, geteilt durch 365;
- (iii) wenn in den Endgültigen Bedingungen "Actual/360" bestimmt ist, die tatsächliche Anzahl von Tagen im Berechnungszeitraum, geteilt durch 360;
- (iv) wenn in den Endgültigen Bedingungen "30/360" "360/360" oder "Bondbasis" bestimmt ist, die Anzahl von Tagen im Berechnungszeitraum, geteilt durch 360 (wobei diese Anzahl der Tage auf Basis eines Jahres mit 360 Tagen in 12 Monaten mit je 30 Tagen zu berechnen ist (außer für den Fall, dass (a) der letzte Tag des Berechnungszeitraumes der 31. eines Monats ist, aber der erste Tag der Berechnungsperiode ein anderer als der 30. oder 31. Tag eines Monats ist, wird der Tag, in den dieser letzte Tag fällt, nicht auf einen Monat mit 30 Tagen verkürzt, oder (b) der letzte Tag der Berechnungsperiode der letzte Tag des Monats Februar ist, wird der Monat Februar nicht auf einen Monat mit 30 Tagen verlängert));
- (v) wenn in den Endgültigen Bedingungen "30E/360" oder "Eurobond Basis" bestimmt ist, die Anzahl von Tagen im Berechnungszeitraum, geteilt durch 360 (wobei diese Anzahl der Tage auf Basis eines Jahres mit 360 Tagen in 12 Monaten mit je 30 Tagen zu berechnen ist, ohne Berücksichtigung des Datums, auf das der erste oder der letzte Tag des Berechnungszeitraumes fällt; wenn allerdings der Berechnungszeitraum mit dem Tilgungstag endet und der Tilgungstag der letzte Tag des Monats Februar ist, wird der Monat Februar nicht auf einen Monat mit 30 Tagen verlängert); und
- (vi) wenn in den Endgültigen Bedingungen "Actual/Actual - ICMA" bestimmt ist,
  - (a) wenn der Berechnungszeitraum gleich oder kürzer als der Feststellungszeitraum ist, in den er fällt, die Anzahl der Tage des Berechnungszeitraumes, geteilt durch das Produkt aus (x) der Anzahl der Tage dieses Feststellungszeitraumes und (y) der Anzahl der Feststellungszeiträume, die in einem Jahr üblicherweise enden; und
  - (b) wenn der Berechnungszeitraum länger als ein Feststellungszeitraum ist, die Summe aus: (x) der Anzahl der Tage des Berechnungszeitraumes, die in den Feststellungszeitraum fallen, in

dem der Berechnungszeitraum beginnt, geteilt durch das Produkt aus: (1) der Anzahl der Tage dieses Feststellungszeitraumes und (2) der Anzahl von Feststellungszeiträumen, die normalerweise in einem Jahr enden; und (y) die Anzahl der Tage des Berechnungszeitraumes, die in den nächsten Feststellungszeitraum fallen, geteilt durch das Produkt aus (1) der Anzahl der Tage dieses Feststellungszeitraumes und (2) der Anzahl der Feststellungszeiträume, die normalerweise in einem Jahr enden,

wobei:

"Feststellungszeitraum" meint jeden Zeitraum ab und inklusive dem Zinsfestlegungstag in einem Jahr bis und exklusive dem nächsten Zinsfestlegungstag.

"Ausschüttungsfähige Mittel" bedeutet hinsichtlich eines jeden Geschäftsjahres der Emittentin den gesamten im letzten zum Zinszahlungstag verfügbaren, nicht konsolidierten, festgestellten Einzelabschluss der Emittentin (erstellt nach Unternehmensgesetzbuch und Bankwesengesetz) ausgewiesenen Betrag an vorgetragenen, nicht ausgeschütteten Gewinnen und Überschüssen nach Zuweisung an und von Rücklagen (Bilanzgewinn) der Emittentin, die gemäß österreichischem Gesellschaftsrecht an die Inhaber von Aktienkapital ausgeschüttet werden dürfen, aber vor Abzug von Dividenden oder anderer Ausschüttungen auf Aktienkapital für dieses Geschäftsjahr.

"Effektiver Tag" meint hinsichtlich eines Variablen Zinssatzes, welcher an einem Zinsfestlegungstag festgelegt wird, den Zeitpunkt, welcher als solcher in den Endgültigen Bedingungen festgesetzt ist, oder wenn keiner festgelegt ist, der erste Tag der Zinslaufperiode, auf welchen sich der jeweilige Zinsfestlegungstag bezieht.

"Eurozone" meint das Gebiet, das aus den Mitgliedstaaten der Europäischen Union besteht, welche die gemeinsame Währung in Übereinstimmung mit dem Vertrag zur Errichtung der Europäischen Gemeinschaften in der derzeit geltenden Fassung einführen.

"Zinslaufperiode" bedeutet den Zeitraum, der am Zinsbeginnstag (inklusive) beginnt und am ersten Zinsperiodentag (exklusive) endet, sowie jeden nachfolgenden Zeitraum, der an (und inklusive) einem Zinsperiodentag beginnt und an (exklusive) dem nächsten folgenden Zinsperiodentag endet.

"Zinsbeginnstag" bedeutet den Emissionstag oder einen anderen Tag, wie in den Endgültigen Bedingungen angegeben.

"Zinsfestlegungstag" bedeutet, hinsichtlich eines Zinssatzes und einer Zinslaufperiode: (i) der Tag, der als solcher in den Endgültigen Bedingungen bestimmt wird, oder wenn keiner bestimmt wird, der erste Tag der jeweiligen Zinslaufperiode, wenn die maßgebliche Währung Pfund Sterling ist, oder (ii) der Tag, der zwei Geschäftstage im maßgeblichen Geschäftszentrum für die Maßgebliche Währung vor dem ersten Tag einer solchen Zinslaufperiode fällt, wenn die maßgebliche Währung weder Pfund Sterling noch Euro ist, oder (iii) der Tag, der zwei Geschäftstage vor den ersten Tag einer solchen Zinslaufperiode fällt, wenn die Maßgebliche Währung Euro ist.

"Zinsgleichrangige Wertpapiere" meint alle bevorzugten Wertpapiere, Vorzugsaktien oder anderen Wertpapiere, welche (a) von der Emittentin begeben werden und gleichrangig hinsichtlich der Zahlung von Dividenden, Zinsen oder anderen Ausschüttungen wie die Verpflichtungen gemäß den Tier 1 Schuldverschreibungen sind oder (b) von einer Emissionsgesellschaft begeben

werden, und welche in beiden Fällen ein Wahlrecht zur Nichtzahlung (oder ein gleichwertiges Recht) enthalten.

"Zinszahlung" bedeutet hinsichtlich eines Zinszahlungstages die gesamten Zinsbeträge für die Zinsperiode, die an diesem Zinszahlungstag endet;

"Zinsperiode" bedeutet jenen Zeitraum, der am Zinsbeginnstag (inklusive) beginnt und am (exklusive) ersten Zinszahlungstag endet und jeden nachfolgenden Zeitraum, der an (und inklusive) einem Zinszahlungstag beginnt und an (exklusive) dem nächsten folgenden Zinszahlungstag endet.

"Zinsperiodentag" bedeutet jeden Zinszahlungstag, wenn in den Endgültigen Bedingungen nicht anders angegeben.

"Zinssatz" bedeutet den Zinssatz, der von Zeit zu Zeit hinsichtlich dieser Schuldverschreibung zahlbar ist und welcher entweder in den Endgültigen Bedingungen angegeben wird, oder in Übereinstimmung mit den Endgültigen Bedingungen berechnet wird.

"ISDA Definitionen" bedeutet die ISDA Definitionen 2000 (unter Berücksichtigung der jeweiligen Änderungen und Ergänzungen), die durch die International Swaps and Derivatives Association, Inc., veröffentlicht werden.

"Emissionsgesellschaft" meint eine Tochtergesellschaft oder Zweckgesellschaft oder Gesellschaft mit geschützten Zellen, die Wertpapiere begibt, die von einer Garantie oder Patronatserklärung (wobei klargestellt wird, dass diese weder eine Dividendengarantie noch eine Garantie einer Mindestverzinsung gemäß § 24 Abs Nr 5 lit f des Bankwesengesetzes sind) der Emittentin gedeckt sind, die hinsichtlich der Zahlung von Dividenden, Zinsen oder anderen Ausschüttungen gleichrangig mit den Verpflichtungen der Emittentin aus den Tier 1 Schuldverschreibungen sind.

"Nachrangige Wertpapiere" bedeutet Aktienkapital und alle anderen Wertpapiere oder Instrumente, die von einem Mitglied der Gruppe begeben werden, die gegenüber gleichrangigen Wertpapieren (entweder von einer Tochtergesellschaft, einer Zweckgesellschaft oder einer Gesellschaft mit geschützten Zellen begeben) nachrangig sind, und die von einer Garantie oder Patronatserklärung gedeckt sind, die gegenüber den Verpflichtungen der Emittentin aus den Tier 1 Schuldverschreibungen nachrangig sind.

"Anzahl von Berechnungszeiträumen" bedeutet die Anzahl der Berechnungszeiträume, die normalerweise in einem Jahr enden.

"Optionaler Tilgungsbetrag" bedeutet den Betrag, der in den Endgültigen Bedingungen als solcher angegeben ist.

"Eigenmittel" bezeichnet die in § 23 Bankwesengesetz definierten Eigenmittel.

"Gleichrangiges Wertpapier" bezeichnet jedes Wertpapier, welches (i) von der Emittentin begeben wird und welches hinsichtlich der Zahlung von Zinsen, Dividenden oder anderen Ausschüttungen gleichrangig mit den Verpflichtungen der Emittentin aus den Tier 1 Schuldverschreibungen ist, oder (ii) von einer Emissionsgesellschaft begeben wird.

"Primäre Quelle" bedeutet die Quelle für die Berechnung der Zinsen, welche hinsichtlich von Variabel Verzinslichen Schuldverschreibungen zahlbar sind.



"Tilgungstag" meint jeden Tag, der für eine optionale Tilgung, eine Tilgung aus Steuergründen oder eine Tilgung aus Gründen der Anrechenbarkeit zu den Eigenmitteln gemäß Bedingung 6 bestimmt ist.

"Referenzbanken" bedeutet im Falle einer Bestimmung von LIBOR die Hauptgeschäftsstelle in London von vier großen Banken im Londoner Interbankenmarkt und, im Fall einer Bestimmung von EURIBOR, die Eurozone Hauptgeschäftsstellen von vier großen Banken im Eurozonen Interbankenmarkt, die jeweils von der Berechnungsstelle ausgewählt oder in den Endgültigen Bedingungen bezeichnet werden.

"Referenzzinssatz" bedeutet den Zinssatz, der in den Endgültigen Bedingungen als solcher bestimmt wird.

"Maßgebliche Währung" bedeutet die Währung, die in den Endgültigen Bedingungen als solche bezeichnet wird, oder wenn keine bezeichnet wird, die Währung, in der die Schuldverschreibungen denominated sind.

"Maßgebliche Bildschirmseite" bedeutet jene Seite, Abschnitt, Überschrift, Spalte oder anderen Teil eines bestimmten Informationsdienstes, der in den Endgültigen Bedingungen festgelegt wird.

"Untereinheit" bedeutet hinsichtlich einer Währung den geringsten Betrag dieser Währung, der in dem Land dieser Währung als gesetzliches Zahlungsmittel verfügbar ist.

"TARGET System" bezeichnet das Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) Zahlungssystem, das eine einheitliche gemeinsam genutzte Plattform verwendet und das am 19.11.2007 in Betrieb gestellt wurde (TARGET2) oder dessen Nachfolger.

"Betrag bei Tilgung aus steuerlichen Gründen" meint den in den Endgültigen Bedingungen als solchen bezeichneten Betrag.

"Tier 1 Kapital" bezeichnet hybrides Kapital gemäß §24 des Bankwesengesetzes in der jeweils geltenden Fassung.

**(m) Berechnungsstelle**

Die Emittentin wird dafür sorgen, dass zu jeder Zeit zumindest eine oder mehrere Berechnungsstellen zur Verfügung stehen, wenn dies in den Endgültigen Bedingungen vorgesehen ist und solange eine Schuldverschreibung aussteht (wie im Agency Agreement definiert). Wenn mehr als eine Berechnungsstelle hinsichtlich der Schuldverschreibungen bestellt ist, sind die Verweise in diesen Bedingungen auf die Berechnungsstelle so zu verstehen, dass jede Berechnungsstelle ihre jeweiligen Pflichten gemäß diesen Bedingungen ausüben wird. Wenn die Berechnungsstelle nicht in der Lage oder nicht Willens ist, ihre Funktion auszuüben, oder wenn die Berechnungsstelle scheitert, zeitgerecht den Zinssatz für eine Zinsperiode oder eine Zinslaufperiode festzulegen oder einen Zinsbetrag, Teilzahlungsbetrag, Endgültigen Tilgungsbetrag, Vorzeitigen Tilgungsbetrag oder Optionalen Tilgungsbetrag zu berechnen, je nachdem, oder einem anderen Erfordernis zu genügen, wird die Emittentin eine führende Bank oder eine Investmentbank, welche im Interbankenmarkt tätig ist (oder wenn angebracht, Geldmarkt, Swapmarkt oder Over-the-Counter Indexoptionenmarkt) bestellen, welche am engsten mit der durch die Berechnungsstelle vorzunehmenden Berechnung oder Festsetzung verbunden ist (im Falle von Internationalen Schuldverschreibungen wird sie durch ihre Londoner Hauptgeschäftsstelle oder andere Geschäftsstelle, welche aktiv im jeweiligen Markt

eingebunden ist, tätig, und im Falle von Inländischen Schuldverschreibungen wird sie durch ihre Hauptgeschäftsstelle in Wien tätig), um an deren Stelle tätig zu werden. Die Berechnungsstelle darf ihre Funktion nicht zurücklegen, ohne dass ein Nachfolger wie zuvor beschrieben bestellt worden ist.

**(n) Bindende Bestätigungen**

Alle Bestätigungen, Kommunikationen, Meinungen, Festlegungen, Berechnungen, Quotierungen und Entscheidungen, welche für Zwecke dieser Bedingung 5 gegeben, ausgedrückt, erstellt oder eingeholt werden, sind (abgesehen von vorsätzlichen Fehlern, Arglist, oder offensichtlichem Irrtum) bindend für die Emittentin, die Berechnungsstelle, den Fiskalagenten, die anderen Zahlstellen und alle Gläubiger von Schuldverschreibungen, Inhaber von Ratenscheinen und Kuponscheinen, und (ausgenommen in den vorher genannten Fällen) die Berechnungsstelle oder der Fiskalagent sind nicht haftbar gegenüber der Emittentin, den Gläubigern von Schuldverschreibungen, Inhabern von Ratenscheinen oder Kuponscheinen im Zusammenhang mit der Ausübung oder Nichtausübung ihrer Befugnisse, Pflichten und Ermessensentscheidungen gemäß diesen Bedingungen.

**6 Tilgung, Rückkauf und Wahlmöglichkeiten**

Die Bedingungen 6(a) bis einschließlich (d) sind auf Tier 1 Schuldverschreibungen nicht anwendbar.

**(a) Tilgung durch Teilzahlungen und Endgültige Tilgung**

- (i) Jede Schuldverschreibung, welche Teilzahlungstage und Teilzahlungsbeträge vorsieht, wird an den Teilzahlungstagen zum jeweiligen Teilzahlungsbetrag teilweise zurückgezahlt, wie in den Endgültigen Bedingungen angegeben, außer sie wurde bereits zuvor gemäß dieser Bedingung 6 getilgt, zurückgekauft, oder eingezogen, oder der jeweilige Teilzahlungstag (welcher einer der Tage ist, die in den Endgültigen Bedingungen als solche bestimmt sind) wird gemäß einem Wahlrecht der Emittentin oder der Gläubiger der Schuldverschreibung in Übereinstimmung mit Bedingung 6(c) oder 6(d) verlängert. Der ausstehende Kapitalbetrag einer jeden solchen Schuldverschreibung wird durch den Teilzahlungsbetrag verringert (oder wenn der jeweilige Teilzahlungsbetrag durch Bezugnahme auf einen Anteil des Kapitalbetrages einer solchen Schuldverschreibung berechnet wird, jener Anteil) für alle Zwecke mit Wirkung ab dem jeweiligen Teilzahlungstag, außer die Zahlung des Teilzahlungsbetrags wird bei Vorlage des jeweiligen Ratenscheines unrechtmäßig zurückgehalten oder verweigert, in welchem Fall der jeweilige Betrag weiterhin bis zum Relevanten Datum, das sich auf den jeweiligen Teilzahlungsbetrag bezieht, aussteht.
- (ii) Jede Schuldverschreibung wird endgültig am Tilgungstag, der in den Endgültigen Bedingungen angegeben ist, zum Endgültigen Tilgungsbetrag (der, wenn nicht anders angegeben ist, dem Kapitalbetrag entspricht) zurückgezahlt, oder, im Falle einer Schuldverschreibung gemäß Absatz (i) oben, mit ihrem letzten Teilzahlungsbetrag mit der Ausnahme, dass die Tilgung von Nachrangigen Schuldverschreibungen, welche Ergänzungskapital oder Nachrangiges Ergänzungskapital darstellen, gemäß den Bedingungen 3(b) (i) oder 3(b)(iii) aufgeschoben werden kann, bis die Jahresabschlüsse der Emittentin für das/die relevante(n) Geschäftsjahr(e) festgestellt wurden (wie in § 125 des österreichischen Aktiengesetzes festgelegt), je nachdem, sofern sie nicht vorher getilgt, rückgekauft oder eingezogen wurden, wie nachstehend vorgesehen, oder ihre Laufzeit gemäß

einem Wahlrecht der Emittentin oder der Gläubiger der Schuldverschreibung in Übereinstimmung mit Bedingung 6(c) oder 6(d) verlängert wird.

- (iii) Aktiengebundene Schuldverschreibungen, fondsgebundene Schuldverschreibungen, kreditgebundene Schuldverschreibungen (Credit Linked Notes), rohstoffgebundene Schuldverschreibungen, futuregebundene Schuldverschreibungen und andere Schuldverschreibungen werden wie in den Endgültigen Bedingungen beschrieben getilgt. Im Fall von kreditgebundenen Schuldverschreibungen (Credit Linked Notes) können die Endgültigen Bedingungen angeben, dass die 2003 Credit Derivatives Definitions, welche von Zeit zu Zeit von der International Swaps and Derivatives Association Inc. veröffentlicht werden, ein integraler zusätzlicher Bestandteil sind, und sich darauf beziehen.

*Für eine Beschreibung bestimmter Risiken, die sich auf eine Veranlagung in solchen Schuldverschreibungen beziehen, siehe "Risk Factors - Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme - Equity-linked Notes / Fund-linked Notes / Credit-linked Notes/ Commodity-linked Notes / Future-linked Notes / Notes Linked to Hedge Funds", die Zusammenfassung und die maßgeblichen Endgültigen Bedingungen.*

- (iv) Tilgung von Reverse Convertible Schuldverschreibungen ("Aktienanleihen", "Fondsanleihen", "Warenanleihen", "Währungsanleihen", "Futuresanleihen")

- (A) Inländische Schuldverschreibungen, welche als "Reverse Convertible Schuldverschreibungen", "Aktienanleihe", "Fondsanleihe", "Warenanleihe", "Cash or Share", "Cash or Fund", "Cash or Commodity", "Cash or Currency" oder "Cash or Futures" oder ähnlich bezeichnet werden, werden, soweit sie nicht bereits vorher zurückbezahlt wurden, am Tilgungstag nach Wahl der Emittentin entweder (i) durch Zahlung des Endgültigen Tilgungsbetrages (der, wenn nichts anderes angegeben ist, dem Kapitalbetrag entspricht), oder (ii) statt durch Zahlung des Endgültigen Tilgungsbetrages durch a) physische Lieferung der in den Endgültigen Bedingungen festgelegten Anzahl des betreffenden Basiswertes je Schuldverschreibung, und b) gegebenenfalls durch zusätzliche Zahlung eines Ausgleichsbetrages für den Fall, dass dies aufgrund der Stückelung oder Liefermenge des Basiswertes erforderlich ist, nach Maßgabe dieser Emissionsbedingungen und der Endgültigen Bedingungen an die (oder für Order der) Gläubiger, getilgt.

"Basiswert" bezeichnet den in den Endgültigen Bedingungen als solchen bezeichneten Basiswert, insbesondere Aktien (notiert oder nicht notiert), Fondsanteile (notiert oder nicht notiert), Waren ("Commodities"), Währungen, Future Kontrakte oder andere Basiswerte sowie aus solchen Basiswerten zusammengesetzte Körbe, welche, wenn sich die Emittentin hierfür entscheidet, in einem Anhang zu den Endgültigen Bedingungen näher beschrieben sind.

- (B) Die Emittentin hat ihr Tilgungswahlrecht am in den Endgültigen Bedingungen festgelegten Ausübungstag auszuüben. Eine gesonderte Bekanntmachung, welche Art der Tilgung gewählt wurde, erfolgt nicht.
- (C) Für den Fall, dass am Ausübungstag eine Marktstörung vorliegt, verschiebt sich der Ausübungstag und gegebenenfalls der Tilgungstag (unbeschadet der Verzinsung) bis zu jenem Tag, an dem

die Marktstörung beendet ist oder die Emittentin in der Lage ist, einen fairen Preis für die Basiswerte zu ermitteln.

"Marktstörung" bedeutet:

- (i) im Falle von Schuldverschreibungen, deren Basiswert aus Aktien besteht, a) wenn die Aktien notiert sind, die vorübergehende Suspendierung oder wesentliche Einschränkung des Handels in den Aktien an der in den Endgültigen Bedingungen bezeichneten maßgeblichen Wertpapierbörse und/oder an der maßgeblichen Optionenbörse (welche, wenn nichts anderes bezeichnet ist, jene Wertpapierbörse(n) und/oder Optionenbörse(n) ist, an der die Aktien und/oder darauf bezogene Optionen zum Ausgabetag gehandelt werden), sofern diese Suspendierung oder Einschränkung in der letzten Stunde vor der üblicherweise zu erfolgenden Berechnung des Schlusskurses der Aktien eintritt bzw besteht. Eine Beschränkung der Stunden oder Anzahl der Tage, an denen ein Handel stattfindet, gilt nicht als Marktstörung, sofern die Einschränkung auf einer vorher angekündigten Änderung an der betreffenden Wertpapierbörse und/oder Optionenbörse beruht. Eine im Laufe eines Tages eintretende Beschränkung im Handel aufgrund von Preisbewegungen, die bestimmte vorgegebene Grenzen überschreiten, gilt nur dann als Marktstörung, wenn diese Beschränkung bis zum Ende der Handelszeit an dem betreffenden Tag fort dauert, oder b) jedes in den Endgültigen Bedingungen bestimmte andere Ereignis.
- (ii) im Falle von Schuldverschreibungen, deren Basiswert aus Fondsanteilen besteht, a) wenn die Fondsanteile notiert sind, die vorübergehende Suspendierung oder wesentliche Einschränkung des Handels in den Fondsanteilen an der in den Endgültigen Bedingungen bezeichneten maßgeblichen Wertpapierbörse, sofern diese Suspendierung oder Einschränkung in der letzten Stunde vor der üblicherweise zu erfolgenden Berechnung des Schlusskurses der Fondsanteile eintritt bzw besteht. Eine Beschränkung der Stunden oder Anzahl der Tage, an denen ein Handel stattfindet, gilt nicht als Marktstörung, sofern die Einschränkung auf einer vorher angekündigten Änderung an der betreffenden Wertpapierbörse beruht. Eine im Laufe eines Tages eintretende Beschränkung im Handel aufgrund von Preisbewegungen, die bestimmte vorgegebene Grenzen überschreiten, gilt nur dann als Marktstörung, wenn diese Beschränkung bis zum Ende der Handelszeit an dem betreffenden Tag fort dauert, b) kein Nettoinventarwert ("Net Asset Value" oder "NAV") für die Fondsanteile veröffentlicht wird oder eine Feststellung des Nettoinventarwertes aus anderen Gründen nicht möglich ist, c) die Fondsanteile nicht rückgelöst oder im Rahmen eines vergleichbaren Vorgangs zurückgereicht werden können, oder d) jedes in den Endgültigen Bedingungen bestimmte andere Ereignis.
- (iii) im Falle von Schuldverschreibungen, deren Basiswert aus Waren ("Commodities") besteht, a) wenn die Waren an einer Börse gehandelt werden, die vorübergehende

Suspendierung oder wesentliche Einschränkung des Handels in den Waren oder der Berechnung und Veröffentlichung des jeweiligen Warenkurses an der in den Endgültigen Bedingungen bezeichneten maßgeblichen Börse und/oder an der maßgeblichen Optionenbörse (welche, wenn nichts anderes bezeichnet ist, jene Börse(n) und/oder Optionenbörse(n) ist, an der die Waren und/oder darauf bezogene Optionen zum Ausgabetag gehandelt werden), sofern diese Suspendierung oder Einschränkung in der letzten Stunde vor der üblicherweise zu erfolgenden Berechnung des Schlusskurses der Waren eintritt bzw besteht. Eine Beschränkung der Stunden oder Anzahl der Tage, an denen ein Handel stattfindet, gilt nicht als Marktstörung, sofern die Einschränkung auf einer vorher angekündigten Änderung an der betreffenden Börse und/oder Optionenbörse beruht. Eine im Laufe eines Tages eintretende Beschränkung im Handel aufgrund von Preisbewegungen, die bestimmte vorgegebene Grenzen überschreiten, gilt nur dann als Marktstörung, wenn diese Beschränkung bis zum Ende der Handelszeit an dem betreffenden Tag fort dauert, b) kein Preis für die Waren veröffentlicht wird oder eine Feststellung des Preises aus anderen Gründen nicht möglich ist, oder c) jedes in den Endgültigen Bedingungen bestimmte andere Ereignis.

- (iv) im Falle von Schuldverschreibungen, deren Basiswert aus anderen als den oben genannten Basiswerten besteht, die in den Endgültigen Bedingungen genannten Marktstörungsereignisse.

Die Emittentin wird sich in allen Fällen bemühen, den Gläubigern unverzüglich mitzuteilen, wenn eine Marktstörung eingetreten ist. Eine Pflicht zur Mitteilung besteht nicht. Die Emittentin übernimmt keine Haftung für die Tätigkeit der maßgeblichen Wertpapierbörse, maßgeblichen Börse und/oder maßgeblichen Optionenbörse, insbesondere auch nicht für die Richtigkeit, Vollständigkeit, Kontinuität und dauerhafte Berechnung der Kurse, Werte, Preise oder Nettoinventarwerte der Basiswerte.

- (D) Sollte während der Laufzeit der Schuldverschreibungen durch ein Anpassungsereignis für die Gläubiger der Schuldverschreibungen eine wesentliche Änderung ihrer wirtschaftlichen Position eintreten, wird die Emittentin nach Möglichkeit Maßnahmen treffen, um die Gläubiger der Schuldverschreibungen wirtschaftlich so zu stellen, wie sie ohne dieses Anpassungsereignis stehen würden. Die Emittentin wird dabei nach Möglichkeit solche Anpassungsmaßnahmen treffen, welche sich an den an der maßgeblichen Wertpapierbörse, maßgeblichen Börse und/oder maßgeblichen Optionenbörse im Zusammenhang mit diesem Anpassungsereignis getroffenen Maßnahmen orientieren.

"Anpassungsereignis" bedeutet:

- (i) Im Falle von Schuldverschreibungen, deren Basiswert(e) Aktien sind, Kapitalmaßnahmen, beispielsweise Kapitalerhöhungen, Emissionen von Wertpapieren mit Options- oder Wandlungsrechten auf Aktien, Ausschüttungen von Sonderdividenden, Aktiensplits, Ausgliederungen,

Verstaatlichungen, Übernahmen durch eine andere Gesellschaft, Fusionen und andere Ereignisse, die in ihren Auswirkungen mit den genannten Ereignissen wirtschaftlich vergleichbar sind, sowie jedes in den Endgültigen Bedingungen bestimmte andere Ereignis. Ein Gläubiger der Schuldverschreibung erhält weder eine Rückzahlung zum Nennwert noch irgendeine Aktien bzw einen Ausgleichsbetrag, wenn die Gesellschaft, welche die Aktien ausgegeben hat, mit der die Schuldverschreibungen getilgt werden können, am Tilgungstag nicht mehr existiert (insbesondere infolge Konkurs oder Liquidation). Eine Beendigung der Notierung der Aktien bleibt ohne Auswirkungen auf das Schuldverhältnis zwischen Emittentin und Gläubiger der Schuldverschreibung.

- (ii) Im Falle von Schuldverschreibungen, deren Basiswert(e) Fondsanteile sind, Änderungen in der Zusammensetzung und/oder Gewichtung der Einzelwerte des Fonds oder der im Fondsbasket enthaltenen Fonds, die eine Anpassung des Fonds oder der im Fondsbasket enthaltenen Fonds erfordern, wenn sich nach Auffassung der Emittentin die Grundlage oder die Berechnungsweise so erheblich geändert hat, dass die Kontinuität oder die Vergleichbarkeit mit dem auf alter Grundlage errechneten Fonds nicht mehr gegeben ist und dieser auch unter Berücksichtigung der jeweils anwendbaren Rechtsvorschriften, Marktgegebenheiten und -gepflogenheiten sowie aus abwicklungstechnischen Gründen nachgekommen werden kann, sowie jedes in den Endgültigen Bedingungen bestimmte andere Ereignis.
- (iii) Im Falle von Schuldverschreibungen, deren Basiswert(e) Waren ("Commodities") oder Währungen sind, jeder in den Endgültigen Bedingungen als Anpassungsereignis bezeichnete Vorgang.

(E) Vorzeitige Kündigung

- (i) Im Falle von Schuldverschreibungen, deren Basiswert(e) Fondsanteile sind: Sollte der Fonds oder einer oder mehrere der im Fondsbasket enthaltenen Fonds nicht mehr verfügbar sein oder ist eine sachgerechte Anpassung an eingetretene Änderungen aus anderen Gründen nicht möglich, oder sind sonstige in den Endgültigen Bedingungen genannten Gründe eingetreten, ist die Emittentin berechtigt aber nicht verpflichtet, die Schuldverschreibung vorzeitig unter Einhaltung einer Kündigungsfrist von vier Geschäftstagen zu einem angemessenen Wert zu kündigen. Die Kündigung wird mit dem Zeitpunkt der Bekanntmachung gemäß Bedingung 14 wirksam.
- (ii) Im Falle von Schuldverschreibungen, deren Basiswert(e) andere als Fondsanteile sind: Sollte eine sachgerechte Anpassung im Falle von Anpassungsereignissen aus welchen Gründen auch immer nicht möglich sein oder sonstige in den Endgültigen Bedingungen genannten Gründe eingetreten sein, ist die Emittentin berechtigt aber nicht verpflichtet, die Schuldverschreibung vorzeitig unter

Einhaltung einer Kündigungsfrist von vier Geschäftstagen zu einem angemessenen Wert zu kündigen. Die Kündigung wird mit dem Zeitpunkt der Bekanntmachung gemäß Bedingung 14 wirksam.

- (v) Nullkupon-Schuldverschreibungen
- (A) Der Vorzeitige Tilgungsbetrag, der für Nullkupon-Schuldverschreibungen zahlbar ist, bei welchen der Vorzeitige Tilgungsbetrag nicht an einen Index und/oder an eine Formel gebunden ist, entspricht, wenn eine solche Schuldverschreibung gemäß Bedingung 6(b) getilgt wird oder wenn sie fällig und zahlbar gemäß Bedingung 10 wird, dem Amortisationsnennbetrag (berechnet wie unten angegeben) der jeweiligen Schuldverschreibung, außer die Endgültigen Bedingungen sehen anderes vor.
- (B) Ausgenommen in den Fällen des nachstehenden Unterabsatzes (C) ist der Amortisationsnennbetrag einer solchen Schuldverschreibung der vorgesehene Endgültige Tilgungsbetrag der Schuldverschreibung am Tilgungstag, der mit einem jährlichen Zinssatz (ausgedrückt als Prozentsatz) diskontiert wird, welcher der Amortisationsrendite entspricht (welche, wenn eine solche in den Endgültigen Bedingungen nicht vorgesehen ist, einem Zinssatz entspricht, der bei Diskontierung des Amortisationsnennbetrages zurück bis zum Emissionstag den Emissionspreis der Schuldverschreibung ergeben würde). Sofern die Berechnung für einen Zeitraum von weniger als einem Jahr erfolgen muss, wird die Berechnung auf Basis des Zinstagequotienten wie in den Endgültigen Bedingungen bezeichnet durchgeführt.
- (C) Wenn der im Hinblick auf eine solche Schuldverschreibung bei ihrer Tilgung gemäß Bedingung 6(b) oder bei Fälligkeit und Zahlbarkeit gemäß Bedingung 10 zahlbare Vorzeitige Tilgungsbetrag nicht bezahlt wird, wenn er fällig ist, entspricht der fällige und zahlbare Vorzeitige Tilgungsbetrag einer solchen Schuldverschreibung dem Amortisationsnennbetrag einer solchen Schuldverschreibung wie in Unterabsatz (B) oben definiert, wobei dieser Unterabsatz gilt, als ob der darin enthaltene Verweis auf den Zeitpunkt, an dem die Schuldverschreibung fällig und zahlbar wird, durch einen Verweis auf das Relevante Datum ersetzt wird. Die Berechnung des Amortisationsnennbetrages gemäß diesem Unterabsatz bis zum Relevanten Datum erfolgt weiterhin (sowohl nach als auch vor einem Gerichtsurteil), wenn nicht das Relevante Datum auf oder nach den Tilgungstag fällt; in diesem Fall entspricht der fällige und zahlbare Betrag dem am Tilgungstag vorgesehenen Endgültigen Tilgungsbetrag der Schuldverschreibung, samt den in Übereinstimmung mit Bedingung 5(c) aufgelaufenen Zinsen.
- (vi) Andere Schuldverschreibungen: Der zahlbare Vorzeitige Tilgungsbetrag hinsichtlich einer Schuldverschreibung (außer einer Nullkupon Schuldverschreibung wie oben beschrieben) entspricht bei Tilgung der Schuldverschreibung gemäß Bedingung 6(b) oder bei Fälligkeit und Zahlbarkeit gemäß Bedingung 10 dem Endgültigen Tilgungsbetrag, sofern in den Endgültigen Bedingungen nichts anderes vorgesehen ist.

**(b) Tilgung aus steuerlichen Gründen**

Wenn als Ergebnis einer Novelle oder Änderung von Gesetzen oder Vorschriften der Republik Österreich oder einer ihrer Gebietskörperschaften oder einer dort tätigen Behörde mit der Befugnis, Steuern einzuhoben, oder von Änderungen in der offiziellen oder allgemein anerkannten Auslegung oder der Anwendung solcher Gesetze und Vorschriften, die am oder nach dem Emissionstag (im Fall einer nicht syndizierten Serie) oder am Unterfertigungstag (im Fall einer syndizierten Serie) in Kraft treten, die Emittentin verpflichtet ist oder verpflichtet sein wird, zusätzliche Beträge, wie in Bedingung 8 beschrieben, zu bezahlen und eine solche Novelle oder Änderung durch Einreichung bei der Emittentin oder dem Fiskalagenten (der eine solche Bestätigung und ein solches Gutachten als ausreichenden Nachweis hierüber anerkennen wird) (i) einer von zwei bevollmächtigten Vertretern der Emittentin im Namen der Emittentin unterzeichneten Bestätigung, in der ausgeführt wird, dass eine solche Änderung oder Novelle eingetreten ist (unabhängig davon, ob eine solche Novelle oder Änderung zu diesem Zeitpunkt bereits in Kraft ist), in der die Tatsachen, die hierzu geführt haben, beschrieben werden und festgestellt wird, dass diese Verpflichtung von der Emittentin nicht durch das Ergreifen vernünftiger, ihr zur Verfügung stehender Maßnahmen abgewendet werden kann, und (ii) einem Gutachten eines unabhängigen Rechtsberaters von anerkannter Reputation, besagend, dass eine solche Novelle oder Änderung (unabhängig davon, ob eine solche Änderung oder Novelle dann bereits in Kraft ist) an einem Zinszahlungstag (wenn die Schuldverschreibung entweder eine Variabel Verzinsliche Schuldverschreibung oder eine Schuldverschreibung mit indexgebundener Verzinsung ist) oder zu jeder anderen Zeit (wenn die Schuldverschreibung weder eine Variabel Verzinsliche Schuldverschreibung noch eine Schuldverschreibung mit indexgebundener Verzinsung ist) eingetreten ist, ist die Emittentin (welche den Gläubigern der Schuldverschreibung und den Inhabern in Übereinstimmung mit Bedingung 14 eine unwiderrufliche Anzeige innerhalb einer Frist von nicht weniger als 30 und nicht mehr als 90 Tagen gegeben hat) berechtigt, alle (nicht jedoch nur einzelne) Schuldverschreibungen (ausgenommen Schuldverschreibungen, hinsichtlich derer die Emittentin eine Tilgungserklärung gemäß Bedingung 6(c) oder eine Ausübungserklärung in Übereinstimmung mit Bedingung 6(d) vor einer gemäß dieser Bedingung 6(b) gegebenen Erklärung abgegeben hat) zu ihrem Vorzeitigen Tilgungsbetrag gemeinsam mit bis zu dem festgesetzten Zeitpunkt für die Tilgung aufgelaufenen Zinsen zurückzahlen, vorausgesetzt, dass (i) keine solche Tilgungserklärung früher als 90 Tage vor dem frühesten Zeitpunkt abgegeben wird, an dem die Emittentin verpflichtet wäre, zusätzliche Beträge zu bezahlen, wenn eine Zahlung hinsichtlich der Schuldverschreibung fällig wäre, und (ii) im Fall von Nachrangigen Schuldverschreibungen, die Emittentin einen Kapitalbetrag in der selben Höhe zur Verfügung hat, der zumindest die gleiche Eigenmittelqualität aufweist, und (iii) im Fall von Schuldverschreibungen, welche Ergänzungskapital oder Nachrangiges Ergänzungskapital darstellen, keine Rückzahlung gemäß dieser Bedingung 6(b) erfolgen darf.

**(c) Tilgung nach Wahl der Emittentin**

Sofern dies in den Endgültigen Bedingungen festgelegt ist, kann die Emittentin alle, oder wenn dies vorgesehen ist, einige der Schuldverschreibungen (außer Schuldverschreibungen hinsichtlich derer die Emittentin eine Tilgungserklärung gemäß Bedingung 6(b) vor einer gemäß dieser Bedingung 6(c) abgegebenen Erklärung abgegeben hat) oder vor einem Optionalen Tilgungstag durch Abgabe einer unwiderruflichen Erklärung an die Gläubiger der Schuldverschreibung innerhalb der Emittentin-Wahlperiode zurückzahlen. Eine solche Tilgung von Schuldverschreibungen erfolgt zum Optionalen Tilgungsbetrag gemeinsam mit bis zu dem festgesetzten Tag für die Tilgung aufgelaufenen Zinsen. Eine solche Tilgung oder Ausübung muss sich auf Schuldverschreibungen beziehen, deren



Nennbetrag zumindest dem Minimum-Tilgungsbetrag entspricht und darf nicht größer sein als der Maximum-Tilgungsbetrag, die beide in den Endgültigen Bedingungen festgesetzt sind. Eine solche Tilgung ist nicht vor dem Ablauf der Mindestperiode, die für eine solche Schuldverschreibung in Übereinstimmung mit § 23 Bankwesengesetz vorgesehen ist, möglich.

Alle Schuldverschreibungen, hinsichtlich derer eine solche Erklärung abgegeben wird, sind zu dem in einer solchen Erklärung festgesetzten Zeitpunkt in Übereinstimmung mit diesen Bedingungen zu tilgen.

Im Fall einer teilweisen Tilgung enthält die Erklärung an die Gläubiger der Schuldverschreibung auch die Nummern der Inhaberschuldverschreibungen oder, im Fall von Namensschuldverschreibungen, den Nominalbetrag der durch Ziehung ermittelten Namensschuldverschreibungen und den/die Inhaber solcher Namensschuldverschreibungen, welche durch Ziehung an jenem Ort und in jener Weise ermittelt werden, die nach den jeweiligen Umständen unter Berücksichtigung der herrschenden Marktpraxis angemessen und vernünftig ist, vorbehaltlich der Einhaltung der anwendbaren Gesetze und der Vorgaben der Börse oder anderer relevanter Behörden. Solange die Schuldverschreibungen an der Wiener Börse und/oder an der Luxemburger Börse und/oder an einer anderen Börse gelistet sind und das Börsegesetz oder die Regeln der relevanten Börse dies verlangen, hat die Emittentin diese Börse von einer teilweisen Tilgung der Schuldverschreibung zu verständigen. Im Fall einer teilweisen Tilgung von Schuldverschreibungen, die durch eine Sammelurkunde oder eine Sammelzertifikat verbrieft sind, werden die betroffenen Schuldverschreibungen in Übereinstimmung mit den Regeln von Euroclear und/ oder Clearstream, Luxemburg (im Fall von Internationalen Schuldverschreibungen) und/oder, wenn vorhanden, der Oesterreichischen Kontrollbank AG (im Fall von Inländischen Schuldverschreibungen) und, wenn keine vorhanden sind, gemäß der herrschenden Marktpraxis ausgewählt.

**(d) Tilgung nach Wahl der Gläubiger der Schuldverschreibung**

Sofern in den Endgültigen Bedingungen vorgesehen, zahlt die Emittentin nach Wahl des Inhabers der Schuldverschreibung diese Schuldverschreibung zum/zu den so festgesetzten Zeitpunkt(en) zum Optionalen Tilgungsbetrag (wie in Teil (A) der maßgeblichen Endgültigen Bedingungen beschrieben) zusammen mit den bis zum für die Tilgung festgelegten Zeitpunkt aufgelaufenen Zinsen zurück.

Um ein solches Wahlrecht auszuüben, muss der Inhaber (im Fall von Inhaberschuldverschreibungen) eine solche Schuldverschreibung (gemeinsam mit allen nicht fälligen Ratenscheinen und Kuponscheinen und nicht eingelösten Talonscheinen) bei einer Zahlstelle oder (im Fall von Namensschuldverschreibungen) das Zertifikat, welches eine solche Schuldverschreibung verbrieft, bei der festgelegten Geschäftsstelle einer Registerstelle oder einer Übertragungsstelle, gemeinsam mit einer ordnungsgemäß ausgefüllten Wahlausübungserklärung ("Ausübungserklärung") in der bei einer Zahlstelle, der Registerstelle oder einer Übertragungsstelle erhältlichen Form (je nachdem) innerhalb der Gläubiger-Wahlperiode einreichen. Keine Schuldverschreibung und kein Zertifikat, die auf diese Weise hinterlegt wurden, und kein ausgeübtes Wahlrecht kann ohne die vorherige Zustimmung der Emittentin zurückgezogen werden (außer wie im Agency Agreement vorgesehen), ausgenommen dass eine solche Schuldverschreibung oder ein solches Zertifikat an den jeweiligen Gläubiger einer Schuldverschreibung durch die Zahlstelle, die Registerstelle oder Übertragungsstelle, bei welcher sie hinterlegt wurde, zurückgestellt wird, wenn vor dem Fälligkeitstag für die Tilgung oder der Ausübung des Wahlrechts die Schuldverschreibung sofort fällig und zahlbar wird, oder wenn bei ordnungsgemäßer Vorlage die Zahlung der Rückzahlungsgelder nicht erfolgt oder die Ausübung des Wahlrechts verweigert wird.

**(e) Tilgung von Tier 1 Schuldverschreibungen**

Diese Bedingung 6(e) ist nur für Tier 1 Schuldverschreibungen anwendbar.

(i) Kein vorbestimmter Tilgungstag

Tier 1 Schuldverschreibungen sind Wertpapiere ohne festgelegte Laufzeit und ohne vorbestimmten Tilgungstag und die Emittentin hat (unter Berücksichtigung von Bedingung 3 und ohne Einschränkung von Bedingung 9) das Recht, sie nur in Übereinstimmung mit den folgenden Bedingungen dieser Bedingung 6(e) zu tilgen.

(ii) Tilgung nach Wahl der Emittentin

Ausgenommen die Emittentin hat vor oder an dem Tag, an dem die nachstehende Kündigungsfrist abgelaufen ist, eine Mitteilung abgegeben, die Tier 1 Schuldverschreibungen gemäß Bedingung 6(e)(iii) zu tilgen, ist die Emittentin berechtigt, wenn ein Wahlrecht festgelegt ist, alle, oder wenn dies so festgelegt ist, einige der Tier 1 Schuldverschreibungen an einem Optionalen Tilgungstag zu tilgen (vorausgesetzt dieser Optionale Tilgungstag liegt nicht innerhalb von fünf Jahren nach dem Ausgabetag), wobei nicht weniger als 30 oder mehr als 60 Geschäftstage (oder eine andere festgelegte Kündigungsfrist) vorher Mitteilung zu machen ist. Nach Ablauf dieser Kündigungsfrist ist die Emittentin verpflichtet, die Tier 1 Schuldverschreibungen entsprechend zu tilgen. Jede solche Tilgung von Tier 1 Schuldverschreibungen erfolgt zu deren Wahltilgungsbetrag gemeinsam mit Zinsen, die in der dann laufenden Zinsperiode bis (aber ausschließlich) zum jeweiligen Tilgungstag anfallen. Die getilgten Tier 1 Schuldverschreibungen müssen durch Kapital von gleicher oder besserer Qualität ersetzt werden, ausgenommen die Finanzmarktaufsichtsbehörde stellt fest, dass die Emittentin und die Kreditinstitutsgruppe auch nach Tilgung der Tier 1 Schuldverschreibungen über ausreichende Eigenmittel verfügen, die für eine adäquate Risikoabdeckung erforderlich sind.

(iii) Tilgung aus steuerlichen Gründen und aus Gründen der Anrechenbarkeit zu den Eigenmitteln

Unbeschadet der vorangegangenen Bedingungen können die Tier 1 Schuldverschreibungen zur Gänze (aber nicht teilweise) nach Wahl der Emittentin jederzeit, oder wenn die Tier 1 Schuldverschreibung eine variable Verzinsung aufweist, zu jedem Zinszahlungstag getilgt werden, wenn:

(A) die Emittentin als Folge einer Änderung der anwendbaren Gesetze oder Regelungen oder deren amtlicher oder allgemein akzeptierter Interpretation, die nach dem Ausgabetag dieser Tier 1 Schuldverschreibungen (im Falle von nicht-syndizierten Serien) oder dem Unterzeichnungstag (im Falle von syndizierten Serien) wirksam wird, verpflichtet ist (oder verpflichtet wäre), zusätzliche Beträge (wie in Bedingung 8 beschrieben) zu zahlen, und diese Verpflichtung nicht dadurch vermieden werden kann, dass die Emittentin vernünftige ihr zur Verfügung stehende Maßnahmen ergreift; oder

(B) sich als Ergebnis einer Änderung der anwendbaren Gesetze oder Regelungen oder deren amtlicher oder allgemein akzeptierter Interpretation, die nach dem Ausgabetag dieser Tier 1 Schuldverschreibungen (im Falle von nicht-syndizierten Serien) oder dem Unterzeichnungstag (im Falle von syndizierten Serien) wirksam wird, für die Emittentin sich die gesetzliche Anrechenbarkeit der Tier

1 Schuldverschreibungen zu den Eigenmitteln für österreichische Kapitaladäquanzzwecke auf konsolidierter Basis zum Nachteil der Emittentin ändert, wobei, wenn ein solches Ereignis eintritt, die Emittentin sich aber entscheidet, die Schuldverschreibungen nicht zu tilgen, das Wahlrecht zur Rückzahlung nicht mehr anwendbar ist; oder

- (C) als Folge einer Änderung der anwendbaren Gesetze oder Regelungen oder deren amtlicher oder allgemein akzeptierter Interpretation, die nach dem Ausgabetag dieser Tier 1 Schuldverschreibungen (im Falle von nicht-syndizierten Serien) oder dem Unterzeichnungstag (im Falle von syndizierten Serien) wirksam wird, Zinszahlungen nicht mehr vollständig als Ausgaben für Zwecke der anwendbaren Einkommensteuergesetze abzugsfähig sind,

und

- (D) die Emittentin an den Fiskalagenten:
  - (aa) eine Bestätigung, die von zwei vertretungsbefugten Personen für die Emittentin unterzeichnet ist, wonach die Emittentin berechtigt ist, diese Tilgung durchzuführen und die eine Bezeichnung der Tatsachen enthält, die zeigt, dass die Voraussetzungen für das Tilgungsrecht der Emittentin eingetreten sind; und
  - (bb) nur hinsichtlich einer Tilgung gemäß Bedingung 6(e)(iii)(A), ein Rechtsgutachten eines unabhängigen Rechtsberaters von anerkanntem Ruf, in dem bestätigt wird, dass das in Bedingung 6(e)(iii)(A) genannte Ereignis eingetreten ist und dass die Emittentin verpflichtet ist (oder verpflichtet sein wird), solche zusätzlichen Beträge zu bezahlen,

geliefert hat,

jeweils nach (unwiderruflicher) Mitteilung innerhalb von nicht weniger als 30 und nicht mehr als 60 Geschäftstagen an die Inhaber der Tier 1 Schuldverschreibungen, in der der anwendbare Tilgungstag genannt ist, jeweils am festgelegten Tilgungstag zum Betrag bei Tilgung aus steuerlichen Gründen (wie oben definiert) (bei Schuldverschreibungen, die gemäß Bedingung 6(e)(iii)(A) oder Condition 6(e)(iii)(C) getilgt werden) oder zum Betrag bei Tilgung aus Anrechenbarkeitsgründen (wie oben definiert) (bei Schuldverschreibungen, die gemäß Bedingung 6(e)(iii)(B) getilgt werden) zu tilgen, vorausgesetzt, dass die Tier 1 Schuldverschreibungen durch Kapital gleicher oder besserer Qualität ersetzt werden, ausgenommen die Finanzmarktaufsichtsbehörde stellt fest, dass die Emittentin und die Kreditinstitutsgruppe auch nach Tilgung der Tier 1 Schuldverschreibungen über ausreichende Eigenmittel verfügen, die für eine adäquate Risikoabdeckung erforderlich sind. Nach Ablauf der Kündigungsfrist ist die Emittentin verpflichtet, die Schuldverschreibungen entsprechend zu tilgen.

Vor einer Liquidation der Emittentin sind die während der Laufzeit von Tier 1 Schuldverschreibungen aufgelaufenen Nettoverluste vom Wahltilgungsbetrag oder dem Betrag bei Tilgung aus steuerlichen Gründen oder dem Betrag bei Tilgung aus Anrechenbarkeitsgründen, wie jeweils anwendbar, abzuziehen, wobei eine Tilgung von Tier 1 Schuldverschreibungen gemäß dieser Bedingung 6(e) nur zulässig ist, wenn kein solcher Nettoverlust abzuziehen wäre. "Nettoverlust" ist im Einklang mit § 23 Abs 7 des Bankwesengesetzes zu interpretieren.

**(f) Rückkauf**

Die Emittentin und jede ihrer Tochtergesellschaften (wie nachstehend definiert) kann in dem gemäß anwendbaren Recht zulässigen Ausmaß zu jeder Zeit Schuldverschreibungen im gewöhnlichen Verlauf ihres jeweiligen Treasury-Geschäftes (vorausgesetzt, dass alle nicht fälligen Ratenscheine und Kuponscheine und nicht eingelösten Talonscheine, die sich darauf beziehen, den Schuldverschreibungen beigelegt oder mit diesen übergeben werden) am Markt oder auf andere Weise zu jedem Preis zurückkaufen.

**(g) Einziehung**

Alle durch oder im Namen der Emittentin oder einer ihrer Tochtergesellschaften zurückgekauften Schuldverschreibungen können nach Wahl der Emittentin zur Einziehung überlassen werden, im Fall von Inhaberschuldverschreibungen durch Übergabe der Schuldverschreibung gemeinsam mit allen nicht fälligen Ratenscheinen und Kuponscheinen und uneingelösten Talonscheinen an den Fiskalagenten, und im Fall von Namensschuldverschreibungen durch Übergabe des Zertifikates, welches eine solche Schuldverschreibung verbrieft, an die Registerstelle, und in allen Fällen können die so übergebenen Schuldverschreibungen nach Wahl der Emittentin gemeinsam mit allen durch die Emittentin getilgten Schuldverschreibungen unverzüglich (zusammen mit allen nicht fälligen Ratenscheinen und Kuponscheinen und uneingelösten Talonscheinen, die beigelegt sind oder gemeinsam übergeben werden) eingezogen werden, nicht jedoch vor Ablauf der Mindestfrist, die für eine solche Schuldverschreibung in Übereinstimmung mit § 23 Bankwesengesetz erforderlich sein kann. Auf diese Weise zur Einziehung übergebene Schuldverschreibungen können nicht wieder ausgegeben oder wieder verkauft werden und die Verpflichtungen der Emittentin hinsichtlich solcher Schuldverschreibungen sind erfüllt.

Verweise in diesen Bedingungen auf den "Tilgungsbetrag" schließen Verweise auf den "Endgültigen Tilgungsbetrag", den "Vorläufigen Tilgungsbetrag" und den "Optionalen Tilgungsbetrag", je nachdem wie es der Zusammenhang erfordert oder erlaubt, mit ein.

## **7 Zahlungen und Talonscheine**

**(a) Inhaberschuldverschreibungen**

Zahlungen von Kapital und Zinsen in Bezug auf Inhaberschuldverschreibungen erfolgen, ausgenommen wie nachstehend erwähnt, gegen Vorlage und Übergabe der relevanten Ratenscheine (im Fall von Zahlungen von Teilzahlungsbeträgen, die nicht am Tag der Fälligkeit der Tilgung erfolgen und vorausgesetzt, dass der Ratenschein zur Zahlung gemeinsam mit der sich darauf beziehenden Schuldverschreibung vorgelegt wird), Schuldverschreibungen (im Falle aller anderen Zahlungen von Kapital und, im Fall von Zinsen, wie in Bedingung 7(f) (vi) bestimmt) oder Kuponscheinen (im Fall von Zinsen, vorbehaltlich Bedingung 7(f) (ii)) bei der festgesetzten Geschäftsstelle einer Zahlstelle außerhalb der Vereinigten Staaten durch einen auf eine Bank bezogenen Scheck in jener Währung, in der die Zahlung fällig ist, oder nach Wahl des Inhabers durch Überweisung auf ein bei einer Bank in einer solchen Währung geführtes Bankkonto. "Bank" bedeutet eine Bank in einem Hauptfinanzzentrum für eine solche Währung oder, im Falle von Euro, in einer Stadt, in der Banken Zugang zum TARGET System haben.

**(b) Namensschuldverschreibungen**

(i) Zahlungen von Kapital (welches für den Zweck dieser Bedingung 7(b) endgültige Teilzahlungsbeträge, nicht aber andere Teilzahlungsbeträge

beinhaltet) in Bezug auf Namensschuldverschreibungen werden an die im Register eingetragene Person oder, wenn dies so vorgesehen ist, an die Order einer solchen Person gegen Vorlage und Übergabe der jeweiligen Zertifikate an eine festgelegte Geschäftsstelle einer Übertragungsstelle oder der Registerstelle und in der in Unterabsatz (ii) nachstehend festgesetzten Weise durchgeführt.

- (ii) Zahlungen von Zinsen (welche für Zwecke dieser Bedingung 7(b) alle Teilzahlungsbeträge, die nicht endgültige Teilzahlungsbeträge sind, beinhalten) auf Namensschuldverschreibungen erfolgen an die im Register zu Geschäftsschluss am 15. Tag vor dem Tilgungstag für Zahlungen ("Record Date") eingetragene Person oder an deren Order. Zahlungen von Zinsen auf Namensschuldverschreibungen erfolgen in der Währung, in welcher solche Zahlungen fällig sind, mittels eines auf eine Bank bezogenen Schecks und werden an den Inhaber (oder den Erstgenannten bei mehreren gemeinsamen Inhabern) einer solchen Schuldverschreibung an die im Register aufscheinende Adresse versendet. Auf Antrag des Inhabers an die festgelegte Geschäftsstelle der Registerstelle oder einer Übertragungsstelle vor dem Record Date und vorbehaltlich von Absatz (a) oben können solche Zinszahlungen durch Überweisung auf ein Konto in der maßgeblichen Währung, welches der Zahlungsempfänger bei einer Bank unterhält, erfolgen.

**(c) *Zahlungen in den Vereinigten Staaten***

Ungeachtet der vorstehenden Bedingungen können Zahlungen, wenn Inhaberschuldverschreibungen in US Dollar denominiert sind, im Hinblick auf diese an die festgelegte Geschäftsstelle einer Zahlstelle in New York City in derselben Weise wie oben beschrieben erfolgen, wenn (i) die Emittentin Zahlstellen mit festgelegten Geschäftsstellen außerhalb der Vereinigten Staaten in der vernünftigen Erwartung festgelegt hat, dass solche Zahlstellen in der Lage wären, Zahlungen dieser Beträge auf die Schuldverschreibungen in der oben festgesetzten Weise bei Fälligkeit durchzuführen, (ii) die vollständige Zahlung solcher Beträge bei all diesen Geschäftsstellen unrechtmäßig ist oder faktisch durch Devisenkontrollen oder ähnliche Beschränkungen der Zahlung oder des Erhalts solcher Beträge ausgeschlossen ist, und (iii) eine solche Zahlung dann gemäß US-amerikanischem Recht erlaubt ist, ohne nach der Meinung der Emittentin nachteilige steuerliche Konsequenzen für die Emittentin zu erzeugen.

**(d) *Steuergesetzen unterliegende Zahlungen***

Sämtliche Zahlungen sind in allen Fällen den anwendbaren Steuergesetzen und anderen Gesetzen, Vorschriften und Richtlinien unterworfen, aber ohne Einschränkung von Bedingung 8. Kommissionen oder Ausgaben werden den Gläubigern von Schuldverschreibungen oder den Kuponinhabern im Hinblick auf solche Zahlungen nicht verrechnet.

**(e) *Bestellung von Agenten und Stellen***

Der Fiskalagent, die Zahlstellen, die Registerstelle, die Übertragungsstellen und die Berechnungsstelle, welche anfänglich von der Emittentin für Internationale Schuldverschreibungen bestellt wurden, sowie ihre jeweiligen festgesetzten Geschäftsstellen sind nachstehend angeführt. Im Hinblick auf Inländische Schuldverschreibungen handelt die Erste Group Bank AG als Zahlstelle, Registerstelle, Übertragungsstelle und Berechnungsstelle. Der Fiskalagent, die Zahlstellen, die Registerstelle, die Übertragungsstellen und die Berechnungsstelle handeln ausschließlich als Beauftragte der Emittentin und übernehmen keine

Verpflichtung und kein Auftrags- oder Treuhandverhältnis für oder mit einem Gläubiger der Schuldverschreibung oder einem Kuponinhaber.

Die Emittentin behält sich das Recht vor, zu jeder Zeit die Bestellung des Fiskalagenten, einer anderen Zahlstelle, der Registerstelle, einer Übertragungsstelle oder der Berechnungsstelle zu ändern oder zu beenden und zusätzliche oder andere Zahlstellen oder Übertragungsstellen zu bestellen, vorausgesetzt, dass die Emittentin zu jeder Zeit (i) einen Fiskalagenten, (ii) eine Registerstelle im Hinblick auf die Namensschuldverschreibungen, (iii) eine Übertragungsstelle im Hinblick auf die Namensschuldverschreibungen, (iv) eine oder mehrere Berechnungsstellen, sofern die Bedingungen es erfordern, (v) Zahlstellen mit festgelegten Geschäftsstellen in zumindest zwei großen europäischen Städten im Hinblick auf die Schuldverschreibungen, die keine Inländischen Schuldverschreibungen sind, und eine Zahlstelle in Wien im Hinblick auf die Inländischen Schuldverschreibungen, (vi) andere Agenten und Stellen, die nach den Vorschriften einer Börse, an der die Schuldverschreibungen gelistet werden können oder eines Clearing Systems, bei welchem die Schuldverschreibungen übertragen werden können, erforderlich sind, und (vii) eine Zahlstelle mit einer festgelegten Geschäftsstelle in einem europäischen Mitgliedsstaat, der nicht verpflichtet ist, Steuern gemäß der europäischen Richtlinie des Rates 2003/48/EG oder einer anderen Richtlinie der Europäischen Union, welche die Schlussfolgerungen des ECOFIN Ratstreffens vom 26. / 27. November 2000 betreffend die Besteuerung von Spareinkünften umsetzt oder Gesetzen, welche die genannte Richtlinie umsetzen oder ihr entsprechen oder eingeführt werden, um ihr zu entsprechen, einzubehalten oder abzuziehen, unterhalten wird.

Zusätzlich wird die Emittentin unverzüglich eine Zahlstelle in New York City hinsichtlich der Inhaberschuldverschreibungen, die in US-Dollar denominated sind, in den in Absatz (c) oben beschriebenen Umständen bestellen.

Die Benachrichtigung über eine solche Änderung sowie jede Änderung einer festgesetzten Geschäftsstelle erfolgt unverzüglich gemäß Bedingung 14 an die Gläubiger von Schuldverschreibungen durch die Emittentin.

**(f) Nicht fällige Kuponscheine und Ratenscheine und nicht eingelöste Talonscheine**

- (i) Zum Fälligkeitszeitpunkt der Tilgung von Inhaberschuldverschreibungen, welche festverzinsliche Schuldverschreibungen (außer Doppelwährungs-Schuldverschreibungen oder Schuldverschreibungen mit indexgebundener Verzinsung) darstellen, sind diese zur Zahlung zu übergeben, gemeinsam mit allen nicht fälligen Kuponscheinen (sofern es solche gibt), die diesen zugehören, wobei im Falle von fehlenden Kuponscheinen ein Betrag, der dem Nennwert jedes einzelnen fehlenden nicht fälligen Kuponscheins entspricht (oder für den Fall, dass eine Zahlung nicht vollständig erfolgt ist, ein Anteil am Betrag des fehlenden nicht fälligen Kuponscheins, der der Summe des bezahlten Kapitals zum gesamten fälligen Kapital entspricht) vom Endgültigen Tilgungsbetrag, dem Vorzeitigen Tilgungsbetrag oder dem Optionalen Tilgungsbetrag, je nachdem, die zur Zahlung fällig sind, abgezogen wird. Ein auf diese Weise abgezogener Betrag wird in der oben genannten Weise gegen Übergabe eines solchen fehlenden Kuponscheines innerhalb eines Zeitraums von zehn Jahren ab dem Relevanten Datum für die Zahlung eines solchen Kapitalbetrages (unabhängig davon, ob ein solcher Kuponschein gemäß Bedingung 9 unwirksam wurde) bezahlt.
- (ii) Zum Fälligkeitszeitpunkt der Tilgung von Inhaberschuldverschreibungen, welche Variabel Verzinsliche Schuldverschreibungen, Doppelwährungs-Schuldverschreibungen oder Schuldverschreibungen mit indexgebundener

Verzinsung sind, werden nicht fällige Kuponscheine, welche sich auf eine solche Schuldverschreibung beziehen (unabhängig davon, ob sie beigefügt sind oder nicht) unwirksam und keine Zahlungen erfolgen im Hinblick auf sie.

- (iii) Am Fälligkeitstag der Tilgung einer Inhaberschuldverschreibung wird ein nicht eingelöster Talonschein, der sich auf eine solche Schuldverschreibung bezieht (unabhängig davon, ob er ihr beigefügt ist oder nicht) unwirksam und kein Kuponschein wird im Hinblick auf einen solchen Talonschein geliefert.
- (iv) Am Fälligkeitstag der Tilgung einer Inhaberschuldverschreibung, die in Teilzahlungen getilgt wird, werden alle Ratenscheine, die sich auf eine Schuldverschreibung mit einem Teilzahlungstag, welcher auf oder nach dieses Datum fällt, beziehen (unabhängig davon, ob sie beigefügt sind oder nicht) unwirksam und keine Zahlung erfolgt im Hinblick auf sie.
- (v) Wenn eine Inhaberschuldverschreibung, die vorsieht, dass auf sie bezogene, nicht fällige Kuponscheine am Fälligkeitstag der Tilgung dieser Schuldverschreibungen unwirksam werden, ohne alle fälligen Kuponscheine und ohne uneingelöste, auf sie bezogene Talonscheine zur Tilgung vorgelegt wird, und wenn eine Inhaberschuldverschreibung zur Tilgung ohne uneingelöste, auf sie bezogene Talonscheine zur Tilgung vorgelegt wird, erfolgt eine Tilgung nur gegen die Übernahme der von der Emittentin geforderten Haftung.
- (vi) Wenn der Fälligkeitstag der Tilgung einer Schuldverschreibung nicht ein Fälligkeitszeitpunkt für die Zahlung von Zinsen ist, sind aufgelaufene Zinsen vom vorhergehenden Tilgungstag für Zinszahlungen oder dem Zinsbeginnstag, je nachdem, nur gegen Vorlage (und Übergabe, sofern angebracht) der jeweiligen sie verbriefenden Inhaberschuldverschreibung oder des Zertifikates zahlbar. Aufgelaufene Zinsen hinsichtlich einer Schuldverschreibung, die nur Zinsen nach ihrem Tilgungstag trägt, sind bei Tilgung einer solchen Schuldverschreibung gegen Vorlage der jeweiligen sie verbriefenden Schuldverschreibung oder des Zertifikates zahlbar.

**(g) Talonscheine**

Am oder nach dem Zinszahlungstag für den letzten Kuponschein, den ein für eine Inhaberschuldverschreibung ausgegebener Kuponbogen beinhaltet, kann ein auf dem Kuponbogen enthaltener Talonschein an die festgesetzte Geschäftsstelle des Fiskalagenten im Austausch für einen weiteren Kuponbogen übergeben werden (und sofern es notwendig ist, ein weiterer Talonschein für einen weiteren Kuponbogen) (jedoch ohne Kuponscheine, welche gemäß Bedingung 9 unwirksam geworden sind).

**(h) Keine Geschäftstage**

Wenn ein Zahltag hinsichtlich einer Schuldverschreibung, eines Ratenscheines oder eines Kuponscheins kein Geschäftstag ist, hat der Inhaber kein Anrecht auf Zahlung bis zum nächstfolgenden Geschäftstag, weder von Zinsen noch einer anderen Summe im Hinblick auf eine solche verschobene Zahlung. In diesem Absatz bedeutet "Geschäftstag" einen Tag (außer Samstag oder Sonntag), an dem Banken und Devisenmärkte für Geschäfte am maßgeblichen Ort der Vorlage in solchen Rechtsordnungen, die als "Geschäftstagsrechtsordnungen" bezeichnet werden, geöffnet sind und:

- (i) (im Falle von Zahlungen in einer anderen Währung als Euro) wenn eine Zahlung durch Überweisung auf ein bei einer Bank in der jeweiligen Währung unterhaltenes Konto, auf welches Devisentransaktionen in der maßgeblichen

Währung im Hauptfinanzzentrum des Staates dieser Währung durchgeführt werden können, erfolgt; oder

- (ii) (im Falle einer Zahlung in Euro) der Tag ein TARGET-Geschäftstag ist.

**(i) Definition von Euro**

- (i) Verweise in diesen Bedingungen auf Euro sind solche auf die Währung, die zu Beginn der dritten Stufe der Europäischen Wirtschafts- und Währungsunion gemäß Art 109 (L) des Vertrages zur Schaffung der Europäischen Gemeinschaften und geändert durch den Vertrag über die Europäische Union (der "Vertrag") eingeführt wurde.
- (ii) Schuldverschreibungen, die in einer Währung denominiert sind, die in Euro umgerechnet werden kann, können Gegenstand einer Änderung der Stückelung, der Währung, einer Konvention und/oder einer Zusammenführung mit anderen dann in Euro denominierten Schuldverschreibungen sein, wie in den jeweiligen Endgültigen Bedingungen bestimmt.

**8 Besteuerung**

Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Schuldverschreibungen, die Ratenscheine und die Kuponscheine durch oder im Namen der Emittentin sind frei von und ohne Einbehalt oder Abzug von Steuern, Gebühren, Veranlagungen oder öffentlichen Abgaben welcher Art auch immer, die von oder innerhalb der Republik Österreich durch irgendeine Abgabenbehörde angelastet, auferlegt, eingehoben, vereinnahmt, einbehalten oder veranschlagt werden, zu leisten, sofern ein derartiger Einbehalt oder Abzug nicht gesetzlich vorgesehen ist. In diesem Fall wird die Emittentin jene zusätzlichen Beträge an die Gläubiger von Schuldverschreibungen oder Inhaber von Kuponscheinen bezahlen, die erforderlich sind, um die Gläubiger von Schuldverschreibungen oder Inhaber von Kuponscheinen so zu stellen, als hätten sie die Beträge ohne Einbehalt oder Abzug erhalten, ausgenommen dass keine derartigen zusätzlichen Beträge hinsichtlich einer Schuldverschreibung, einem Ratenschein oder einem Kuponschein zahlbar sind:

**(a) Andere Verbindung**

an einen Inhaber oder an einen Dritten im Namen des Inhabers, der zur Zahlung solcher Steuern, Abgaben, Veranlagungen oder öffentlicher Abgaben hinsichtlich einer Schuldverschreibung, eines Ratenscheins oder eines Kuponscheins aufgrund einer anderen Verbindung mit der Republik Österreich als jene der bloßen Inhaberschaft einer Schuldverschreibung, eines Ratenscheins oder eines Kuponscheins verpflichtet ist; oder

**(b) Vorlage mehr als 30 Tagen nach dem Relevanten Datum**

die zur Zahlung mehr als 30 Tage nach dem Relevanten Datum vorgelegt werden (oder hinsichtlich derer das verbriefende Zertifikat vorgelegt wird) außer in dem Ausmaß, in dem der Inhaber zu zusätzlichen Beträgen bei Vorlage zur Zahlung am 30. Tag berechtigt gewesen wäre; oder

**(c) Zahlungen an natürliche Personen**

sofern ein solcher Einbehalt oder Abzug auf Zahlungen an eine natürliche Person auferlegt wird und gemäß der Richtlinie des Rates 2003/48/EG oder einer anderen Richtlinie der Europäischen Union, welche die Schlussfolgerungen des ECOFIN



Ratstreffens vom 26. bis 27. November 2000 betreffend die Besteuerung von Spareinkünften umsetzt oder Gesetzen, welche die genannte Richtlinie umsetzen oder ihr entsprechen oder eingeführt werden, um ihr zu entsprechen, gemacht werden muss; oder

**(d) Zahlung durch eine andere Zahlstelle**

welche (außer im Falle von Namensschuldverschreibungen) durch oder im Namen eines Inhabers zur Zahlung vorgelegt werden, der in der Lage gewesen wäre, einen solchen Einbehalt oder Abzug durch Vorlage der betreffenden Schuldverschreibung, des Ratenscheins oder Kuponscheins bei einer anderen Zahlstelle (oder, im Falle von Zahlungen des Kapitals von Namensschuldverschreibungen, bei einer anderen Übertragungsstelle oder, wenn anwendbar, Registerstelle) in einem Mitgliedstaat der Europäischen Union zu vermeiden.

In diesen Bedingungen bedeutet "Relevantes Datum" im Hinblick auf eine Schuldverschreibung, einen Ratenschein oder Kuponschein den Zeitpunkt, an dem eine Zahlung erstmals fällig wird oder (wenn ein fälliger Betrag unrechtmäßig zurückgehalten oder verweigert wird) den Zeitpunkt, an dem eine vollständige Bezahlung des ausstehenden Betrages erfolgt, oder (wenn früher) der Zeitpunkt sieben Tage nach jenem, an dem eine Mitteilung an die Gläubiger der Schuldverschreibung ordnungsgemäß erfolgt, wonach bei weiterer Vorlage der Schuldverschreibung (oder des betreffenden Zertifikates), Ratenscheines oder Kuponscheins in Übereinstimmung mit den Bedingungen die jeweilige Zahlung erfolgen wird, vorausgesetzt, dass die Zahlung tatsächlich bei Vorlage durchgeführt wird. Verweise in den Bedingungen auf (i) "Kapital" und "Kapitalbetrag" beinhalten jeden zahlbaren Aufschlag im Hinblick auf die Schuldverschreibungen, den Optionalen Tilgungsbetrag, den Betrag bei Tilgung aus steuerlichen Gründen oder den Betrag bei Tilgung aus Anrechnungsgründen, alle Teilzahlungsbeträge, Tilgungsbeträge, Amortisationsnennbeträge und alle anderen Beträge, die vom Wesen her als Kapitalbeträge zahlbar gemäß Bedingung 6 (oder einer Änderung oder Ergänzung derselben) sind, (ii) "Zinsen" beinhaltet alle Zinsbeträge und anderen Beträge, die gemäß Bedingung 5 (oder einer Änderung oder Ergänzung derselben) zahlbar sind, und (iii) "Kapital" und "Kapitalbetrag" und/oder "Zinsen" beinhaltet alle zusätzlichen Beträge, die gemäß dieser Bedingung oder gemäß einer Verpflichtungserklärung zusätzlich oder als Ersatz hierfür zahlbar sind.

## **9 Verjährung**

Sofern englisches Recht in den Endgültigen Bedingungen bestimmt ist, verjähren Ansprüche gegen die Emittentin auf Zahlungen hinsichtlich der Schuldverschreibungen, Ratenscheine und Kuponscheine (welche für diese Zwecke Talonscheine nicht beinhalten) und werden unwirksam, wenn diese nicht innerhalb von zehn Jahren (im Fall des Kapitals) oder innerhalb von fünf Jahren (im Fall von Zinsen) ab dem anwendbaren Relevanten Datum geltend gemacht werden.

Sofern österreichisches Recht in den Endgültigen Bedingungen bestimmt ist sowie im Hinblick auf *Pfandbriefe, Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* und fundierte Bankschuldverschreibungen, verjähren Ansprüche gegen die Emittentin auf Zahlungen hinsichtlich der Schuldverschreibungen, Ratenscheine und Kuponscheine (welche für diese Zwecke Talonscheine nicht beinhalten) und werden unwirksam, wenn diese nicht innerhalb von zehn Jahren (im Falle des Kapitals) und innerhalb von drei Jahren (im Falle von Zinsen) ab dem anwendbaren Relevanten Datum geltend gemacht werden.

## 10 Verzugsfälle

Die Regelungen dieser Bedingung 10 gelten nicht für Tier 1 Schuldverschreibungen.

Sofern eines der folgenden Ereignisse (jeder ein "Verzugsfall") eintritt und andauert, nämlich:

- (a) Zahlungsverzug von Zinsen oder Kapital hinsichtlich der Schuldverschreibungen für einen Zeitraum von fünfzehn Tagen (im Fall von Zinsen) oder sieben Tagen (im Fall von Kapitalzahlungen) ab dem Tilgungstag vorliegt; oder
- (b) die Emittentin es unterlässt, seitens der Emittentin zu erfüllende oder einzuhaltende und in den Schuldverschreibungen enthaltene Zusicherungen, Bedingungen oder Bestimmungen (abgesehen von der Verpflichtung zur Zahlung des Kapitals oder von Zinsen gemäß den Schuldverschreibungen) zu erfüllen oder einzuhalten, wenn dieser Verzugsfall keiner Heilung zugänglich ist oder innerhalb von 45 Tagen nach Mitteilung über einen solchen Verzugsfall an die bezeichnete Geschäftsstelle des Fiskalagenten durch einen Gläubiger der Schuldverschreibung nicht saniert wird; oder
- (c) eine andere Verschuldung (wie unten definiert) der Emittentin oder einer Wesentlichen Tochtergesellschaft (i) weder bei Fälligkeit noch innerhalb einer auf die Verschuldung anwendbaren Nachfrist bezahlt wird, oder (ii) vor der geplanten Fälligkeit aufgrund eines Verzugsfalles der Emittentin fällig und zahlbar wird oder fällig und zahlbar gestellt werden kann, oder (iii) wenn sie auf Abruf zahlbar ist, auf Abruf nicht gezahlt wird, oder (iv) eine von der Emittentin im Hinblick auf die Verschuldung einer anderen Person eingeräumte Garantie oder Haftung bei Fälligkeit oder Abruf nicht erfüllt wird; oder
- (d) eine Sicherheit für eine Verschuldung der Emittentin vollstreckbar wird und die dazu berechtigten Gläubiger Schritte für die Vollstreckung derselben einleiten; oder
- (e) die Emittentin von einem Gericht für zahlungsunfähig oder insolvent befunden wird, oder ein Beschluss von einem zuständigen Gericht oder einer Verwaltungsbehörde über die gerichtliche Bestellung einer Aufsichtsperson mit verbindlicher Handlungsbefugnis zur Überwachung der Geschäftsführung der Emittentin mit dem Effekt einer befristeten Forderungsstundung (Geschäftsaufsicht) hinsichtlich der Emittentin oder eines wesentlichen Teils ihres Vermögens gefasst wird, oder die Emittentin beschließt, einen diesbezüglichen Antrag zu fassen, oder wenn die Emittentin abgewickelt oder aufgelöst werden soll, außer für Zwecke der Sanierung, Verschmelzung oder Zusammenschluss wenn der Rechtsnachfolger alle Verpflichtungen der Emittentin im Hinblick auf die Schuldverschreibungen übernimmt;

dann:

- (i) ist im Fall von Nicht-Nachrangigen Schuldverschreibungen der Inhaber einer Schuldverschreibung berechtigt, durch schriftliche Mitteilung an die festgesetzte Geschäftsstelle der Emittentin diese Schuldverschreibung zum Vorzeitigen Tilgungsbetrag samt aufgelaufenen Zinsen fällig und zahlbar zu stellen; und
- (ii) ist im Fall von Nachrangigen Schuldverschreibungen der Inhaber einer Schuldverschreibung berechtigt, durch schriftliche Mitteilung an die bezeichnete Geschäftsstelle der Emittentin:
  - (x) in den in Unterabsatz (b) beschriebenen Fällen ein Gerichtsverfahren gegen die Emittentin einzuleiten, von dem er meint, dass es geeignet ist, die Erfüllung oder Einhaltung der jeweiligen in den

Schuldverschreibungen enthaltenen Zusicherungen, Bedingungen oder Bestimmungen durchzusetzen; oder

- (y) in jedem der in den Unterabsätzen (a), (c), (d) oder (e) beschriebenen Fälle (außer wenn die Emittentin durch ein zuständiges österreichisches Gericht für zahlungsunfähig erklärt wird) die Finanzmarktaufsichtsbehörde vom Vorliegen eines solchen Ereignisses zu informieren und zu verlangen, dass die Finanzmarktaufsichtsbehörde beim zuständigen Gericht in Wien die Einleitung eines Konkursverfahrens gegen die Emittentin beantragt, vorbehaltlich der gesetzlichen Voraussetzung, dass das Gericht die Emittentin für zahlungsunfähig erklärt; nur wenn eine solche gerichtliche Erklärung gemacht wird, werden die Schuldverschreibungen fällig und zahlbar wie im folgenden beschrieben; oder
  - (z) wenn ein Konkursverfahren bei einem solchen Gericht gegen die Emittentin eingeleitet wird (auf Antrag einer Person, die kein nur als solcher handelnder Gläubiger einer Schuldverschreibung ist), einen Antrag bei diesem Gericht zu stellen, womit die Rückzahlung aller gemäß den Schuldverschreibungen fälligen Kapitalbeträge samt aufgelaufenen Zinsen und allen zusätzlichen Beträgen begehrt wird;
- (iii) im Fall von *Pfandbriefen, Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* und fundierten Bankschuldverschreibungen:
- (w) ist der Inhaber einer solchen Schuldverschreibung berechtigt, in den in Unterabsatz (a) beschriebenen Fällen durch schriftliche Mitteilung an die festgesetzte Geschäftsstelle der Emittentin diese Schuldverschreibung zum Vorzeitigen Tilgungsbetrag samt aufgelaufenen Zinsen fällig und zahlbar zu stellen; und
  - (x) ist der Inhaber einer solchen Schuldverschreibung in den in Unterabsatz (b) beschriebenen Fällen berechtigt, ein Gerichtsverfahren gegen die Emittentin einzuleiten, von dem er meint, dass es geeignet ist, die Erfüllung oder Einhaltung der jeweiligen in den Schuldverschreibungen enthaltenen Zusicherungen, Bedingungen oder Bestimmungen durchzusetzen; und
  - (y) ist der Inhaber einer solchen Schuldverschreibung in jedem der in den Unterabsätzen (c), (d) oder (e) beschriebenen Fälle (außer wenn die Emittentin durch ein zuständiges österreichisches Gericht für zahlungsunfähig erklärt wird) berechtigt, die Finanzmarktaufsichtsbehörde vom Vorliegen eines solchen Ereignisses zu informieren und zu verlangen, dass die Finanzmarktaufsichtsbehörde beim zuständigen Gericht in Wien die Einleitung eines Konkursverfahrens gegen die Emittentin beantragt, vorbehaltlich der gesetzlichen Voraussetzung, dass das Gericht die Emittentin für zahlungsunfähig erklärt; nur wenn eine solche gerichtliche Erklärung gemacht wird, werden die Schuldverschreibungen fällig und zahlbar wie im folgenden beschrieben; und
  - (z) wenn ein Konkursverfahren gegen die Emittentin durch ein zuständiges österreichisches Gericht eröffnet wird, werden die Schuldverschreibungen, vorbehaltlich des folgenden Satzes, nicht fällig und zahlbar, wenn der maßgebliche Deckungsstock an ein

geeignetes Kreditinstitut übertragen wurde und der Inhaber einer Schuldverschreibung kann seinen Anspruch gemäß den Schuldverschreibungen bis zur Höhe des Ausfalls (oder des geschätzten Ausfalls, je nachdem) mit dem solche Ansprüche durch die Liquidationserlöse des jeweils maßgeblichen Deckungsstockes nicht gedeckt sind, geltend machen. In Fällen, in denen der maßgebliche Deckungsstock nicht an ein anderes Kreditinstitut in Übereinstimmung mit österreichischem Recht übertragen wird und vorausgesetzt, dass die im relevanten Register aufgeführten Vermögenswerte nicht ausreichen, um die Ansprüche aller Gläubiger der Schuldverschreibung zu befriedigen, wird der maßgebliche Deckungsstock für die Schuldverschreibungen auf Antrag des Verwalters des Deckungsstockes und nach Genehmigung durch das zuständige Konkursgericht liquidiert, und die Schuldverschreibungen gelten als fällig und zahlbar gemäß dem jeweils auf diese Arten von Schuldverschreibungen anwendbaren Recht; und

(iv) gilt in allen Fällen:

Wenn das zuständige österreichische Gericht die Emittentin für zahlungsunfähig erklärt, gelten alle fälligen Ansprüche der Gläubiger der Schuldverschreibung und/oder der Inhaber von Kuponscheinen und/oder der Inhaber von Ratenscheinen (außer *Pfandbriefe, Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* und fundierte Bankschuldverschreibungen) an die Emittentin auf Kapital und/oder Zinsen und zusätzliche Beträge als fällig und zahlbar gemäß § 14 der österreichischen Konkursordnung 1914 in der geltenden Fassung, in jener Währung, die das gesetzliche Zahlungsmittel in Österreich an jenem Tag ist, an dem die Zahlungsunfähigkeit durch gerichtliche Mitteilung bekannt gegeben wird, umgerechnet zu dem Wechselkurs, der an dem diesem Tag vorangehenden Tag für den Ankauf der fälligen Beträge in Wien mit der in Österreich als gesetzliches Zahlungsmittel geltenden Währung gilt.

Wenn ein Konkursverfahren gegen die Emittentin eingeleitet wird, tragen die Schuldverschreibungen (außer *Pfandbriefen, Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* und fundierte Bankschuldverschreibungen) ab jenem Tag, an dem die gerichtliche Bekanntmachung über die Insolvenz veröffentlicht wird, keine Zinsen und alle nicht fälligen Kuponscheine werden daraufhin unwirksam und keine Zahlungen erfolgen im Hinblick auf sie.

Die Gläubiger der Schuldverschreibung, die Inhaber von Kuponscheinen und/oder die Inhaber von Ratenscheinen werden in einem Gerichtsverfahren oder in einem Konkursverfahren, welches in Österreich gegen die Emittentin eingeleitet wird, durch einen Kurator, der durch das Handelsgericht Wien bestellt wird und diesem verantwortlich ist gemäß dem Gesetz vom 24. April 1874, Reichsgesetzblatt Nr. 49 idgF (Kuratorenengesetz) vertreten, oder, im Fall von *Pfandbriefen, Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* gemäß der Einführungsverordnung zum Hypothekenbankengesetz und, im Fall von fundierten Bankschuldverschreibungen, gemäß dem Gesetz betreffend fundierte Bankschuldverschreibungen, wenn die Rechte der Gläubiger der Schuldverschreibung, der Inhaber von Kuponscheinen und/oder der Inhaber von Ratenscheinen aufgrund des Mangels einer gemeinsamen Vertretung gefährdet sind, oder wenn die Rechte einer anderen Person dadurch verzögert würden, bestellt wird.

Für Zwecke dieser Bedingungen bedeutet:

"Kern-Tochtergesellschaft" jede Tochtergesellschaft, die keine Haftungsverbund-Tochtergesellschaft ist;

"Haftungsverbund-Tochtergesellschaft" jede Gesellschaft, die von der Emittentin kontrolliert wird und mit dieser ausschließlich aufgrund ihrer Mitgliedschaft im Haftungsverbund konsolidiert wird.

"Gruppe" die Emittentin und ihre Tochtergesellschaften.

"Verschuldung" die gegenwärtige oder zukünftige Verschuldung (unabhängig, ob sie Kapital, Aufgeld, Zinsen oder andere Beträge betrifft) für oder im Hinblick auf (i) Ausleihungen, (ii) Verbindlichkeiten unter oder im Hinblick auf einen Wechsel oder einen Wechselkredit, oder (iii) Schuldverschreibungen, Anleihen, Schuldscheine, Obligationen, Obligationsanleihen oder andere angebotene, ausgegebene oder vertriebene Wertpapiere, entweder im Wege eines öffentlichen Angebots, einer Privatplatzierung, eines Kaufpreises oder auf andere Weise und entweder als Gegenleistung für Geld oder (ganz oder teilweise) eine andere nicht aus Geld bestehende Gegenleistung, in jedem Einzelfall mit einem Gesamtkapitalbetrag von mehr als US-Dollar 15 Millionen oder dem Gegenwert in anderen Währungen;

"Wesentliche Tochtergesellschaft" jederzeit:

- (i) jede Kern-Tochtergesellschaft der Emittentin, deren Gesamtaktiva, Umsätze oder Cash Flows (konsolidiert im Fall einer Gesellschaft, welche selbst Tochtergesellschaften hat) nicht weniger als 7,5% der gesamten konsolidierten Gesamtaktiva oder der konsolidierten Umsätze oder des konsolidierten Cash Flows der Gruppe als Ganzes genommen betragen, wobei alle durch Bezug auf die dann jüngsten Jahresabschlüsse (konsolidiert oder nicht konsolidiert, je nachdem) dieser Kern-Tochtergesellschaft und des jüngsten Konzernabschlusses der Gruppe berechnet werden; oder
- (ii) jede Kern-Tochtergesellschaft, an welche das gesamte Vermögen oder im wesentlichen das gesamte Vermögen und Unternehmen einer Kern-Tochtergesellschaft, welche unmittelbar vor einer solchen Übertragung eine Wesentliche Tochtergesellschaft ist, übertragen wird;

"Tochtergesellschaft" jederzeit:

- (a) jede Gesellschaft, die, direkt oder indirekt, kontrolliert wird oder deren ausgegebenes Grundkapital (oder dessen Äquivalent) wirtschaftlich von der Emittentin und/oder einer oder mehrerer ihrer Tochtergesellschaften zu mindestens 50% gehalten wird. Dass eine Gesellschaft durch einen anderen kontrolliert wird, bedeutet, dass der andere (entweder direkt oder indirekt und durch Eigentum von Grundkapital, den Besitz von Stimmrechten, Vertrag oder auf andere Weise) das Recht hat, die Mehrheit der Mitglieder des Vorstands oder des Geschäftsführungsorgans dieser Gesellschaft zu besetzen und/oder zu entfernen oder sie auf andere Weise kontrolliert oder die Befugnis hat, die Geschäfte und die Politik dieser Gesellschaft zu kontrollieren; oder
- (b) jede Gesellschaft, die als Tochtergesellschaft der Emittentin in Übereinstimmung mit International Financial Reporting Standards betrachtet wird.

Ein Bericht der Abschlussprüfer (wie im Agency Agreement definiert) der Emittentin, dass nach ihrer Ansicht eine Körperschaft eine Tochtergesellschaft, Haftungsverbund-Tochtergesellschaft oder Wesentliche Konzerngesellschaft ist, oder nicht ist oder war, oder zu einer bestimmten Zeit nicht war, ist, soweit kein offensichtlicher Fehler vorliegt, endgültig und hat bindende Wirkung für alle Parteien.

## **11 Gläubigerversammlung, Änderungen und Verzicht**

### **(a) Gläubigerversammlung**

Dieser Absatz ist nur auf Internationale Schuldverschreibungen anwendbar, sofern nichts anderes in den Endgültigen Bedingungen festgelegt wird. Das Agency Agreement enthält Bestimmungen für die Einberufung von Gläubigerversammlungen zur Erwägung von Angelegenheiten, die die Interessen der Gläubiger betreffen, einschließlich der Genehmigung einer Änderung dieser Bedingungen (außer für Nachrangige Schuldverschreibungen gemäß Bedingung 3(b)(ii), (iii) oder (iv), wonach die Nachrangigkeitsbestimmungen gemäß § 23 Abs 8 Z 2 Bankwesengesetz nicht geändert werden können) durch außerordentlichen Beschluss (wie im Agency Agreement definiert) oder der Bestimmungen des Agency Agreement. Die Mehrheit für eine Versammlung, die einberufen worden ist, um einen anderen Beschluss als einen außerordentlichen Beschluss zu erwägen, beträgt eine oder mehrere Personen, die insgesamt nicht weniger als ein Zehntel des Kapitalbetrags der zu dieser Zeit ausstehenden Schuldverschreibungen halten oder vertreten, und die Mehrheit für eine Versammlung zur Erwägung eines außerordentlichen Beschlusses beträgt eine oder mehrere Personen, die eine 75% Mehrheit des Kapitalbetrags der ausstehenden Schuldverschreibungen zur jeweiligen Zeit halten oder vertreten, oder bei einer vertagten Versammlung, eine oder mehrere Personen, die Gläubiger der Schuldverschreibung sind oder diese vertreten, unabhängig vom Kapitalbetrag der von ihnen gehaltenen oder vertretenen Schuldverschreibungen, ausgenommen die Tagesordnung einer solchen Versammlung beinhaltet Erwägungen für Vorschläge um unter anderem (i) die Fälligkeits- oder Tilgungszeitpunkte der Schuldverschreibungen, Teilzahlungstage oder Zahlungszeitpunkte für Zinsen und Zinsbeträge auf die Schuldverschreibungen zu ändern, (ii) den Kapitalbetrag, Teilzahlungsbeträge oder bei Tilgung zahlbares Aufgeld hinsichtlich der Schuldverschreibungen zu verringern oder zu stornieren, (iii) den Zinssatz oder die Zinssätze im Hinblick auf die Schuldverschreibungen zu verringern oder die Methode oder Basis zur Berechnung des Zinssatzes oder der Zinssätze oder den Zinsbetrag oder die Basis für die Berechnung von Zinsbeträgen im Hinblick auf die Schuldverschreibungen zu ändern, (iv) wenn ein Maximal- und/oder Minimumzinssatz, Teilzahlungsbetrag oder Tilgungsbetrag in den Endgültigen Bedingungen bestimmt ist, ein solches Minimum oder Maximum zu reduzieren, (v) eine Methode oder eine Basis für die Berechnung des Endgültigen Tilgungsbetrages, des Vorzeitigen Tilgungsbetrages oder des Optionalen Tilgungsbetrages (einschließlich der Methode zur Berechnung des Amortisationsnennbetrages) zu ändern, (vi) die Währung oder die Währungen oder die Stückelung der Schuldverschreibungen zu ändern, oder (vii) die Bestimmungen über die notwendigen Mehrheiten einer Versammlung der Gläubiger von Schuldverschreibungen oder die notwendigen Mehrheiten für einen außerordentlichen Beschluss zu ändern, in welchem Fall die notwendige Mehrheit eine oder mehrere Personen beträgt, die nicht weniger als zwei Drittel des Kapitalbetrages der zu dieser Zeit ausstehenden Schuldverschreibungen halten oder vertreten, oder im Fall einer vertagten Versammlung nicht weniger als ein Drittel des Kapitalbetrages der zu diesem Zeitpunkt ausstehenden Schuldverschreibungen halten oder vertreten. Ein ordnungsgemäß gefasster Beschluss hat bindende Wirkung für die Gläubiger der Schuldverschreibungen (unabhängig davon, ob sie bei der Versammlung, bei welcher ein solcher Beschluss gefasst wurde, anwesend waren) und für alle Inhaber von

Kuponscheinen. Der Ausdruck "außerordentlicher Beschluss" bedeutet einen Beschluss, der bei einer ordnungsgemäß einberufenen Versammlung der Gläubiger der Schuldverschreibung durch eine Mehrheit gefasst wurde, die nicht weniger als drei Viertel der abgegebenen Stimmen beträgt. Alle anderen Beschlüsse bei einer ordnungsgemäß einberufenen Versammlung der Gläubiger der Schuldverschreibung werden mit Mehrheit der abgegebenen Stimmen gefasst.

Diese Bedingungen können im Hinblick auf eine Serie von Schuldverschreibungen durch die Bestimmungen der maßgeblichen Endgültigen Bedingungen im Hinblick auf eine solche Serie geändert, abgeändert oder variiert werden.

**(b) *Änderung des Agency Agreement***

Die Emittentin wird nur solche Änderungen oder Verzichte oder Genehmigungen von Verletzungen oder vorgeschlagenen Verletzungen sowie die Nichteinhaltung des Agency Agreements erlauben, wenn vernünftigerweise nicht erwartet werden kann, dass dies nachteilig für die Interessen der Gläubiger der Schuldverschreibung ist.

Das Agency Agreement kann durch die Emittentin und durch den Fiskalagenten ohne Zustimmung der Registerstelle oder einer Zahlstelle, Übertragungsstelle, Austauschstelle, Berechnungsstelle oder eines Inhabers zum Zweck der Klarstellung einer Mehrdeutigkeit, der Korrektur oder Ergänzung einer fehlerhaften darin enthaltenen Bestimmung oder in einer Weise geändert werden, welche die Emittentin und der Fiskalagent gemeinsam für notwendig oder wünschenswert halten und welche die Interessen der Inhaber nicht nachteilig berührt.

**12 Austausch von Schuldverschreibungen, Zertifikaten, Ratenscheinen, Kuponscheinen und Talonscheinen**

Wenn eine Schuldverschreibung, Zertifikat, Ratenschein, Kuponschein oder Talonschein verloren, gestohlen, verstümmelt, entstellt oder zerstört wird, kann sie (er) vorbehaltlich der anwendbaren Gesetze, Vorschriften und Regeln von Börsen und anderen zuständigen Behörden bei der festgesetzten Geschäftsstelle des Fiskalagenten (im Fall von Inhaberschuldverschreibungen, Ratenscheinen, Kuponscheine oder Talonscheinen) und bei der Registerstelle (im Fall von Zertifikaten) oder einer anderen Zahlstelle oder Übertragungsstelle, die von der Emittentin zu diesem Zweck festgelegt und den Gläubigern der Schuldverschreibung bekannt gegeben wird, ersetzt werden, in jedem Fall bei Zahlung der Kosten und Gebühren, die im Zusammenhang damit und gemäß von der Emittentin vernünftigerweise festgelegten Bedingungen betreffend Nachweis, Sicherheitsleistung und Schadloshaltung (welche unter anderem vorsehen können, dass wenn die (der) angeblich verlorene, gestohlene oder zerstörte Schuldverschreibung, Zertifikat, Ratenschein, Kuponschein oder Talonscheine in der Folge zur Zahlung oder zum Austausch für weitere Kuponscheine vorgelegt wird, der Emittentin auf Anforderung der zahlbare Betrag im Hinblick auf solche Schuldverschreibungen, Zertifikate, Ratenscheine, Kuponscheine und weitere Kuponscheine bezahlt wird) entstehen, durch den Anspruchsteller und ansonsten auf jene Weise, die die Emittentin vernünftigerweise bestimmt. Verstümmelte und entstellte Schuldverschreibungen und Zertifikate, Ratenscheine, Kuponscheine oder Talonscheine müssen übergeben werden, bevor ein Ersatz dafür ausgestellt wird.

**13 Weitere Emissionen**

Die Emittentin ist berechtigt, von Zeit zu Zeit ohne Zustimmung der Gläubiger der Schuldverschreibung oder Inhaber von Kuponscheinen weitere Wertpapiere, welche entweder in aller Hinsicht dieselben Ausgabebedingungen wie die Schuldverschreibungen haben (ausgenommen betreffend die erste Zahlung von Zinsen darauf), so dass diese weitere Emission mit den ausstehenden Wertpapieren einer Serie

(einschließlich der Schuldverschreibungen) konsolidiert wird und eine einheitliche Serie darstellt, oder gemäß anderen Bedingungen, welche die Emittentin bei Ausgabe festsetzen kann, zu schaffen und auszugeben. Verweise in diesen Bedingungen auf die Schuldverschreibungen beinhalten (sofern der Zusammenhang nichts anderes verlangt) alle anderen Wertpapiere, die gemäß dieser Bedingung ausgegeben werden und eine einheitliche Serie von Schuldverschreibungen darstellen.

## **14 Mitteilungen**

Mitteilungen an die Inhaber von Namensschuldverschreibungen werden diesen an ihre jeweils im Register eingetragene Adresse zugesandt (oder den Erstgenannten bei mehreren gemeinsamen Inhabern) und gelten am vierten Wochentag (welcher weder Samstag noch Sonntag ist) nach dem Tag der Postaufgabe als zugestellt und werden auf der Internet-Homepage der Emittentin (voraussichtlich [www.erstegroup.com](http://www.erstegroup.com)) (solange die Schuldverschreibungen an der Wiener Börse gelistet sind) oder auf der Internet-Homepage der Luxemburger Börse ([www.bourse.lu](http://www.bourse.lu)) (solange die Schuldverschreibungen an der Luxemburger Börse gelistet sind) und in beiden Fällen, wenn von zwingend anwendbarem Recht oder Börseregeln verlangt, über ein passendes Informationsverbreitungssystem veröffentlicht. Mitteilungen an die Inhaber von Inhaberschuldverschreibungen werden, im Internet auf der Homepage der Emittentin (voraussichtlich [www.erstegroup.com](http://www.erstegroup.com)) (solange die Schuldverschreibungen an der Wiener Börse gelistet sind) oder auf der Internet-Homepage der Luxemburger Börse ([www.bourse.lu](http://www.bourse.lu)) (solange die Schuldverschreibungen an der Luxemburger Börse gelistet sind) und in beiden Fällen, wenn von zwingend anwendbarem Recht oder Börseregeln verlangt, über ein passendes Informationsverbreitungssystem veröffentlicht. Mitteilungen an die Inhaber von nicht gelisteten Inhaberschuldverschreibungen werden im Internet auf der Homepage der Emittentin veröffentlicht. Ungeachtet dessen erfolgt, wenn eine solche Mitteilung nicht praktikabel ist, eine gültige Mitteilung, wenn sie in einer führenden englischsprachigen Tageszeitung mit allgemeiner Verbreitung in Europa veröffentlicht wird. Die Emittentin stellt sicher, dass Mitteilungen in einer Weise ordnungsgemäß veröffentlicht werden, welche den Regeln und Vorschriften jener Börse entsprechen, an der die Schuldverschreibungen zeitweise gelistet sind. Jede Mitteilung gilt am Tag der Veröffentlichung als erfolgt, oder, wenn die Veröffentlichung mehr als einmal oder an verschiedenen Zeitpunkten erfolgt, am Datum der ersten Veröffentlichung wie oben vorgesehen.

Von Inhabern von Kuponscheinen und Ratenscheinen wird angenommen, dass sie in jeder Hinsicht vom Inhalt der Mitteilungen, die an die Inhaber von Inhaberschuldverschreibungen im Einklang mit diesen Bedingungen gemacht wurden, Kenntnis haben.

## **15 Anwendbares Recht, Gerichtstand und Zustellungen**

### **(a) *Englisches Recht***

Sofern englisches Recht in den Endgültigen Bedingungen als anwendbar bestimmt ist:

#### **(i) Anwendbares Recht**

Die Schuldverschreibungen, die Ratenscheine, die Kuponscheine und die Talonscheine und alle außervertraglichen Schuldverhältnisse, die sich aus oder im Zusammenhang mit den Schuldverschreibungen, den Ratenscheinen, den Kuponscheinen und den Talonscheinen ergeben, unterliegen englischem Recht und werden in Übereinstimmung mit englischem Recht ausgelegt, mit der Ausnahme, dass die Nachrangigkeitsbestimmungen der Bedingungen 3(b) und 3(c) und die Bestimmung der ausschüttungsfähigen Mittel österreichischem Recht



unterliegen und in Übereinstimmung mit österreichischem Recht ausgelegt werden.

(ii) Gerichtsstand

Die Gerichte von England sind zuständig für alle Streitigkeiten, die aus oder im Zusammenhang mit Schuldverschreibungen, Ratenscheinen, Kuponscheinen oder Talonscheinen (einschließlich allfälliger Streitigkeiten im Zusammenhang mit außervertraglichen Schuldverhältnissen, die sich aus oder im Zusammenhang mit Schuldverschreibungen, Ratenscheinen, Kuponscheinen oder Talonscheinen ergeben) entspringen und dementsprechend können rechtliche Maßnahmen oder Verfahren daraus oder im Zusammenhang mit Schuldverschreibungen, Ratenscheinen, Kuponscheinen oder Talonscheinen (einschließlich allfälliger Rechtsstreitigkeiten oder Verfahren im Zusammenhang mit außervertraglichen Schuldverhältnissen aus oder im Zusammenhang mit Schuldverschreibungen, Ratenscheinen, Kuponscheinen oder Talonscheinen) ("Verfahren") vor solche Gerichte gebracht werden. Die Emittentin unterwirft sich unwiderruflich der Zuständigkeit der Gerichte von England und verzichtet auf Einwände gegen Verfahren bei solchen Gerichten wegen unpassenden Gerichtsortes oder weil das Verfahren vor ein nicht passendes Gericht gebracht wurde. Diese Unterwerfung erfolgt zugunsten eines jeden Inhabers von Schuldverschreibungen, Ratenscheinen, Kuponscheinen und Talonscheinen und berührt nicht dessen Recht, Verfahren in einer oder mehreren Rechtsordnungen zu führen oder schließt die Führung von Verfahren in einer anderen Rechtsordnung (unabhängig davon ob gleichzeitig oder nicht) nicht aus.

(iii) Zustellungen

Die Emittentin bestellt unwiderruflich ihre Londoner Niederlassung als Zustellbevollmächtigte in England für sich und in ihrem Namen in Verfahren in England. Die Zustellung gilt mit der Übergabe an die Zustellbevollmächtigte (unabhängig davon, ob die Zustellung weitergeleitet und von der Emittentin empfangen wird) als erfolgt. Wenn aus welchem Grund immer die Zustellbevollmächtigte nicht mehr in der Lage ist, als solche zu handeln oder keine Adresse mehr in London hat, stimmt die Emittentin unwiderruflich zu, einen Ersatz zu bestellen und die Inhaber der Schuldverschreibungen unverzüglich von einer solchen Bestellung gemäß den Bestimmungen in Bedingung 14 zu informieren. Das Recht, die Zustellung in einer anderen gesetzlich zulässigen Weise vorzunehmen, wird in keiner Weise beschränkt.

**(b) Österreichisches Recht**

Für *Pfandbriefe, Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* oder fundierte Bankschuldverschreibungen oder wenn österreichisches Recht in den Endgültigen Bedingungen als anwendbar bestimmt ist:

(i) Anwendbares Recht

Die Schuldverschreibungen, die Ratenscheine, die Kuponscheine und die Talonscheine, und alle außervertraglichen Schuldverhältnisse, die sich aus oder im Zusammenhang mit den Schuldverschreibungen, den Ratenscheinen, den Kuponscheinen und den Talonscheinen ergeben, unterliegen österreichischem Recht und werden in Übereinstimmung mit österreichischem Recht ausgelegt.

(ii) Gerichtsstand

Die zuständigen österreichischen Gerichte sind ausschließlich zuständig für Streitigkeiten, die aus oder im Zusammenhang mit Schuldverschreibungen, Ratenscheinen, Kuponscheinen oder Talonscheinen (einschließlich allfälliger Streitigkeiten im Zusammenhang mit außervertraglichen Schuldverhältnissen, die sich aus oder im Zusammenhang mit Schuldverschreibungen, Ratenscheinen, Kuponscheinen oder Talonscheinen ergeben) entstehen, soweit dies nach den anwendbaren zwingenden Konsumentenschutzgesetzen zulässig ist.

(c) **Unwirksamkeit etc.**

Sollten zu irgendeinem Zeitpunkt eine oder mehrere der Bestimmungen der Ratenscheine, der Schuldverschreibungen, der Kuponscheine und der Talonscheine unwirksam, unrechtmäßig oder undurchsetzbar gemäß dem Recht eines Staates sein oder werden, dann ist diese Bestimmung im Hinblick auf die betreffende Rechtsordnung im notwendigen Ausmaß unwirksam, ohne die Gültigkeit, Rechtmäßigkeit und Durchsetzbarkeit der verbleibenden Bestimmungen zu berühren oder zu beeinträchtigen. Die ungültige oder undurchsetzbare Bestimmung wird durch eine gültige, rechtmäßige oder durchsetzbare Bestimmung ersetzt, die dem ursprünglichen Willen der Parteien und der ungültigen, unrechtmäßigen oder undurchsetzbaren Bestimmung so nahe wie möglich kommt.

**16 Sprache**

Für den Fall, dass die englische Sprache in den Endgültigen Bedingungen als bindende Sprache bestimmt ist, ist die englische Version dieser Bedingungen ausschließlich verbindlich und, sofern in den Endgültigen Bedingungen bestimmt, stellt die deutschsprachige Version eine Übersetzung zum Zweck der Benutzerfreundlichkeit dar.

Für den Fall, dass die deutsche Sprache in den Endgültigen Bedingungen als bindende Sprache bestimmt ist, ist die deutsche Fassung der Bedingungen alleine verbindlich und, sofern in den Endgültigen Bedingungen bestimmt, stellt die englischsprachige Version eine Übersetzung zum Zweck der Benutzerfreundlichkeit dar.

## **USE OF PROCEEDS**

The net proceeds from the issue of any Notes will be used by the Issuer for its general funding purposes and, in case of Subordinated Notes and Tier 1 Notes, to strengthen the capital base of the Issuer.

## **SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM**

### **Initial Issue of International Notes**

If the Global Notes are stated in the applicable Final Terms to be issued in NGN form they may be intended to be eligible collateral for Eurosystem monetary policy and will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. Depositing the Global Notes with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Global Notes which are issued in CGN form and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depository.

If the Global Note is a CGN, upon the initial deposit of a Global Note representing International Notes with a common depository for Euroclear or Clearstream, Luxembourg (the "Common Depository") or registration of Registered International Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relevant Global Certificate to the Common Depository, Euroclear or Clearstream, Luxembourg will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid. If the Global Note is a NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes representing International Notes that are initially deposited with the Common Depository for Euroclear or Clearstream, Luxembourg may (if indicated in the relevant Final Terms) also be credited to the accounts of subscribers with other clearing systems (if indicated in the relevant Final Terms) through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes representing International Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

### **Initial Issue of Domestic Notes**

Upon the initial deposit of a Global Note representing Domestic Notes with OeKB or a depository for OeKB or registration of Registered Domestic Notes in the name of any nominee for OeKB and delivery of the relevant Global Certificate to the depository, OeKB or the respective control securities depository will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

Notes representing Domestic Notes that are initially deposited with the depository for OeKB may (if indicated in the relevant Final Terms) also be credited to the accounts of subscribers with the Issuer or with other clearing systems through direct or indirect accounts with OeKB held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with OeKB or other clearing systems.

Global Notes and Global Certificates representing Domestic Notes may also be deposited with, or on behalf of, the Issuer or may be held by the investor.

## Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, OeKB or any other clearing system as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg, OeKB or such clearing system (as the case may be) for its share of each payment made by the Issuer to the bearer of such Global Note or the holder of the Global Certificate, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, OeKB or such clearing system (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the Global Certificate, as the case may be, in respect of each amount so paid.

The following discussion applies only to Notes which are governed by English law.

### Exchange

#### 1. Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (a) Part A of the relevant Final Terms indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (see "General Description of the Programme - Selling Restrictions"), in whole, but not in part, for the Definitive Notes defined and described below and
- (b) otherwise, in whole or in part upon certification as to non-US beneficial ownership in the form set out in the Agency Agreement, for interests in a permanent Global Note or, if so provided in the relevant Final Terms, for Definitive Notes.

Each temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable for Registered Notes in accordance with the Conditions in addition to any permanent Global Note or Definitive Notes for which it may be exchangeable and, before its Exchange Date, will also be exchangeable in whole or in part for Registered Notes only.

#### 2. Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under "Partial Exchange of Permanent Global Notes", in part for Definitive Notes or, in the case of 2(a) below, Registered Notes:

- (a) if the permanent Global Note is an Exchangeable Bearer Note, by the holder giving notice to the Fiscal Agent of its election to exchange the whole or a part of such Global Note for Registered Notes or
- (b) otherwise, (1) if the permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an "Alternative Clearing System") and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so or (2) if principal in respect of any Notes is not paid when due,

by the holder giving notice to the Fiscal Agent of its election for such exchange.

*In relation to any issue of Notes which have a denomination consisting of a minimum Specified Denomination plus a higher integral multiple of another smaller amount, and the relevant clearance system(s) so permit, the Notes will be tradeable only in the minimum Specified Denomination and such other higher integral multiples, notwithstanding that no definitive notes will be issued with a denomination above €99,000 (or its equivalent).*

### **3. Global Certificates**

If the Final Terms state that the Notes are to be represented by a Global Certificate on issue, transfers of the holding of Registered Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (a) if the Registered Notes represented by the Global Certificate are held on behalf of Euroclear, or Clearstream, Luxembourg or an alternative clearing system and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so or
- (b) if principal in respect of any Registered Notes is not paid when due or
- (c) with the consent of the Issuer

provided that, in the case of the first transfer of part of a holding pursuant to 3(a) or 3(b) above, the holder of the Global Certificate has given the Registrar not less than 30 days' notice at its specified office of the intention of the holder of the Global Certificate to effect such transfer.

### **4. Partial Exchange of Permanent Global Notes**

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system so permit, such permanent Global Note will be exchangeable at the cost of the Issuer in part on one or more occasions (1) for Registered Notes if the permanent Global Note is an Exchangeable Bearer Note and the part submitted for exchange is to be exchanged for Registered Notes, or (2) for Definitive Notes (i) if principal in respect of any Notes is not paid when due or (ii) if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Final Terms and/or Supplement to the Prospectus) relating to Partly-paid Notes.

### **5. Delivery of Notes**

If the Global Note is a CGN, on or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate principal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note or Global Certificate exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be or (iii) if the Global Note is a NGN, procure that details of such exchange be entered pro rata in the records of the relevant clearing system. In this Prospectus, "Definitive Notes" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of

interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

## **6. Exchange Date**

"Exchange Date" means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of an exchange for Registered Notes five days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the city in which the relevant clearing system is located.

So long as the Notes are represented by a temporary Global Note or permanent Global Note and the relevant clearing system so permit, the Notes will be tradeable only in the minimum Specified Denomination and such other specified integral multiples, notwithstanding that no definitive notes will be issued with a denomination above €99,000 (or its equivalent).

## **Amendment to Conditions**

The temporary Global Notes, the permanent Global Notes and the Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Terms and Conditions of the Notes set out in this Prospectus. The following is a summary of certain of those provisions:

### **1. Payments**

No payment falling due after the Exchange Date will be made on any temporary Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-US beneficial ownership in the form set out in the Agency Agreement. All payments in respect of CGNs represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on such Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes. If the Global Note is a NGN, the Issuer shall procure that details of each such payment shall be entered in the relevant proportions in the records of the relevant clearing system and the nominal amount of the Notes recorded in the records of the clearing systems and represented by the Global Note will be reduced accordingly. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge. Condition 8(d) will apply to the Definitive Notes only. Global Notes will not bear interest coupons.

### **2. Prescription**

Claims against the Issuer in respect of Notes that are represented by a permanent Global Note or a Global Certificate will become void unless it is presented for payment within a period of five years (in the case of both principal and interest) from the appropriate Relevant Date (as defined in "Terms and Conditions of the Notes - Taxation").

### **3. Meetings**

The holder of a permanent Global Note or of the Registered Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of the minimum Specified Denomination of Notes for which such Global Note may be exchanged. All holders of Registered Notes are entitled to one vote in respect of each Note comprising such Noteholder's holding, whether or not represented by a Global Certificate.

### **4. Cancellation**

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant permanent Global Note.

### **5. Purchase**

Notes represented by a permanent Global Note may only be purchased by the Issuer or any of its Subsidiaries (as defined in the Terms and Conditions of the Notes) if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) set out in Part A of the relevant Final Terms.

### **6. Issuer's Option**

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a Global Note or Global Certificate shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the certificate numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of account holders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion), or the relevant Alternative Clearing System (as the case may be).

### **7. Noteholders' Options**

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a Global Note or Global Certificate may be exercised by the holder of the Global Note or Global Certificate giving notice to the Fiscal Agent within the time limits relating to the deposit of Notes with a Paying Agent, except that the notice shall not be required to contain the certificate numbers of the Notes in respect of which the option has been exercised, and stating the principal amount of Notes in respect of which the option is exercised and at the same time, where the permanent Global Note is a CGN, presenting the Global Note or Global Certificate to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent for notation. Where the Global Note is a NGN, the Issuer shall procure that details of such exercise shall be entered in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

### **8. NGN nominal amount**

Where the Global Note is a NGN, the Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, shall be entered in the records of the relevant clearing systems and upon any such entry being made,



the nominal amount of the Notes represented by such Global Note shall be adjusted accordingly.

## **9. Events of Default**

Each Global Note provides that the holder may (other than in the case of Tier 1 Notes) cause such Global Note, or a portion of it, to become due and repayable in the circumstances described in Condition 10 by stating in the notice to the Issuer the nominal amount of such Global Note that is becoming due and repayable. If principal in respect of any Note is not paid when due, the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement rights against the Issuer under the terms of a Deed of Covenant executed by the Issuer and the Fiscal Agent on 17 July 2009 to come into effect in relation to the whole or any part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Certificate, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion of Registered Notes, as the case may be. However, no such election may be made in respect of Notes represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

## **10. Notices**

So long as any Notes are represented by a Global Note or a Global Certificate and such Global Note or Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate, or, if required by mandatory law or stock exchange regulation, by means of an eligible information system.

## **11. Partly-paid Notes**

The provisions relating to partly-paid Notes are not set out in this Prospectus but will be contained in the relevant Final Terms and thereby in the Global Notes and/or Global Certificates. While any instalments of the subscription moneys due from the holder of partly-paid Notes are overdue, no interest in a Global Note or Global Certificate representing such Notes may be exchanged for an interest in a permanent Global Note, for Definitive Notes (as the case may be) or Certificates. If any Noteholder fails to pay any instalment due on any partly-paid Notes within the time specified, the Issuer may forfeit such Notes and shall have no further obligation to their holder in respect of them.

The following discussion applies only to Notes which are governed by Austrian law:

### **Exchange**

#### **1. Temporary Global Notes**

As regards the exchange of temporary Global Notes governed by Austrian law, the same description as for English law governed Global Notes applies (see above "Exchange - Temporary Global Notes"), save that no exchange for Definitive Notes shall be made.

#### **2. Permanent Global Notes and Global Certificates**

Permanent Global Notes and Global Certificates are not exchangeable for Definitive Notes or Registered Notes.

## **Amendment to Conditions**

### **1. Payments**

No payment falling due after the Exchange Date will be made on any temporary Global Note unless exchange for an interest in a permanent Global Note or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-US beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each Global Note. Global Notes will not bear interest coupons.

### **2. Partly-paid Notes**

The provisions relating to partly-paid Notes are not set out in this Prospectus but will be contained in the relevant Final Terms and thereby in the Global Notes and/or Global Certificates. While any instalments of the subscription moneys due from the holder of partly-paid Notes are overdue, no interest in a Global Note or Global Certificate representing such Notes may be exchanged for an interest in a permanent Global Note, for Definitive Notes (as the case may be) or Certificates. If any Noteholder fails to pay any instalment due on any partly-paid Note within the time specified, the Issuer may forfeit such Note and shall have no further obligation to its holder in respect of it.

## ERSTE GROUP BANK AG

### Introduction

Erste Group Bank AG is registered as a joint-stock corporation (*Aktiengesellschaft*) in the Austrian Companies Register (*Firmenbuch*) (the "Companies Register") at the Vienna Commercial Court (*Handelsgericht Wien*) and has the registration number 33209 m. The registered office of Erste Group Bank is Graben 21, 1010 Vienna, Austria, and its telephone number is +43-50100-0.

Erste Group Bank was established in 1819 as a "Vereinsparkasse" (association savings bank) under the name "Verein der Ersten österreichischen Spar-Casse" and, as the name suggests, was the first savings bank in Austria ("erste" means "first" in German). It was subsequently renamed "DIE ERSTE österreichische Spar-Casse - Bank" and its business was transformed into a stock corporation with the name "DIE ERSTE österreichische Spar-Casse Bank Aktiengesellschaft" ("Die Erste") in 1993. Die Erste changed its name to "Erste Bank der oesterreichischen Sparkassen AG" on 4 October 1997, following the merger of GiroCredit Bank Aktiengesellschaft der Sparkassen ("GiroCredit") with Die Erste which created the then second largest banking group in Austria.

On 9 August 2008, in accordance with the decision of the annual shareholders' meeting of 6 May 2008, the Austrian regional banking activities of Erste Group were de-merged and renamed Erste Bank der oesterreichischen Sparkassen AG ("Erste Bank Oesterreich"), and the parent company changed its name to Erste Group Bank AG. Erste Group Bank operates as the parent company and remains the sole company of Erste Group listed on a stock exchange in the EEA (see below "New Group Governance Structure" for more details).

### Background

Erste Group Bank is the lead bank in the Austrian Savings Banks Sector. Erste Group is also a leading retail banking group in Central and Eastern Europe, where it serves approximately 17.2 million customers (for information on market shares of Erste Group in CEE, see "Erste Group Bank AG - Business Overview - Erste Group's Business Segments - Erste Group's Business in Central and Eastern Europe"). Total assets amounted to EUR 201.4 billion as of 31 December 2008.

Erste Group is a leading financial service provider in Austria and CEE. It provides a full range of banking and financial services, including deposit taking, lending, mortgage lending, investment banking, securities trading and derivatives business (on its own account and for its customers), portfolio management, project finance, international trade finance, corporate finance, capital and money market services, foreign exchange, leasing, and factoring.

"Erste Group" consists of Erste Group Bank, together with its subsidiaries and participations, including Erste Bank der oesterreichischen Sparkassen AG in Austria ("Erste Bank Oesterreich"), Česká spořitelna, a.s. in the Czech Republic ("Česká spořitelna"), Banca Comercială Română S.A. in Romania ("BCR"), Slovenská sporiteľňa, a.s. in the Slovak Republic ("Slovenská sporiteľňa"), Erste Bank Hungary Nyrt. in Hungary ("Erste Bank Hungary"), Erste & Steiermärkische banka, d.d., Rijeka in Croatia ("Erste Bank Croatia"), Erste Bank a.d., Novi Sad in Serbia ("Erste Bank Serbia"), JSC Erste Bank in the Ukraine ("Erste Bank Ukraine"), Salzburger Sparkasse Bank AG ("Salzburger Sparkasse"), Tiroler Sparkasse Bankaktiengesellschaft Innsbruck ("Tiroler Sparkasse"), other savings banks of the Haftungsverbund (see "Haftungsverbund" below), IMMORENT AG ("IMMORENT"), and others.

Comprising some 3,200 branches, Erste Group employed 52,648 people worldwide as of 31 December 2008 (of which 1,351 people were employed by Erste Group Bank). Erste Group is active in its extended home market in Central and Eastern Europe, (in particular, and in addition to Austria, in the Czech Republic, Romania, the Slovak Republic, Hungary,

Croatia, Serbia, and the Ukraine), as well as operating in the major financial centres of the world, such as New York, London and Hong Kong.

### **New Group Governance Structure**

Through its systematic expansion in Central and Eastern Europe over recent years, Erste Group had reached a scale that necessitated a more centralised and coordinated approach towards its most important management and information processes and a structure that enabled and safeguarded efficient enterprise-wide decision-making and execution.

The key element of the new Group structure was the new structural setup in Austria, which separated a new operating holding company, the parent company, from a regional bank in Austria.

On 6 May 2008 the annual shareholders' meeting approved the de-merger which then became effective on 9 August 2008. In the course thereof, the Austrian regional bank business was de-merged from the then existing Erste Bank der oesterreichischen Sparkassen AG, which subsequently changed its name to "Erste Group Bank AG". Erste Group Bank operates as a parent company and remains the sole company of Erste Group listed on a stock exchange in the EEA. The de-merged entity, which is not listed and the shares in which are wholly held by Erste Group Bank, was renamed "Erste Bank der oesterreichischen Sparkassen AG" and is the Austrian regional bank of Erste Group ("Erste Bank Oesterreich").

Both, Erste Group Bank and the regional Erste Bank Oesterreich in Austria hold an Austrian credit institution license, belong to the Austrian savings bank sector, and are members of and benefit from the "Haftungsverbund" (see "Haftungsverbund" beginning on page 157 for more details).

### **Share Capital of Erste Group Bank**

By 31 December 2008, Erste Group Bank's share capital amounted to EUR 634,025,526 divided into 317,012,763 shares.

Following the subscription of shares under the Employee Share Ownership Programme, the share capital was increased to EUR 635.850.172, divided into 317.925.086 shares in 2009.

Erste Group Bank's shares are listed and officially traded (*Amtlicher Handel*) on the Vienna Stock Exchange, on the Prague Stock Exchange, and on the Bucharest Stock Exchange.

### **Business Overview**

#### **Strategy**

At the time of the initial public offering of shares in 1997, the then existing Erste Bank der oesterreichischen Sparkassen AG had the following four core strategies: (i) focusing on core business potentials in retail banking; (ii) building a strong brand amongst the Austrian savings banks; (iii) targeting a home market of 40 million people in Central Europe; and (iv) transferring the multi-channel distribution model throughout Central Europe.

Following successful implementation, the core strategies have been fine-tuned to reflect the evolution of Erste Group and its goals as well as changes in the operating environment. Erste Group has the following strategies: (i) focusing on the retail banking business; (ii) targeting the Central and Eastern European markets; and (iii) increasing efficiency within the Erste Group.

## **Relationship with Austrian Savings Banks**

The Austrian Savings Banks Sector comprises all savings banks in Austria, excluding Unicredit Bank Austria AG ("Bank Austria"). Bank Austria is legally organised as a savings bank and participates in the savings banks deposit insurance system and the Sparkassen-Prüfungsverband Prüfungsstelle is its statutory auditor.

The Banking Act requires savings banks to maintain with Erste Group Bank, as the central financial institution of the savings bank group, a specified amount of their savings deposits and other Euro deposits (the "Liquidity Reserve"). A legal change has been required by the European Commission, which enables the savings banks to keep the Liquidity Reserve with banks other than the relevant central financial institution.

Erste Group Bank provides a wide range of services and products to the savings banks and their customers. These services and products include syndication services, risk management advice, support in legal matters, retail mortgage, investment fund products, portfolio and asset management services, as well as securities-related services.

## **Haftungsverbund**

In 2002, the Haftungsverbund was formed on the basis of a set of agreements between the majority of the Austrian savings banks.

The Haftungsverbund, as an integral part of the joint marketing strategy and co-operation between the savings banks, is based on three pillars:

- joint product development and centralisation of processing functions; a uniform risk policy (including standardised credit risk classification); co-ordinated liquidity management and common standards of control;
- a joint early-warning system designed to identify financial difficulties at member savings banks, which provides support mechanisms, including intervention in management to avoid such members becoming bankrupt; and
- a cross-guarantee of certain liabilities of member savings banks.

Pursuant to the Haftungsverbund agreements and supplementary agreements, Haftungsverbund GmbH (the "Steering Company") is vested with the power to set the common risk policies of its members and to monitor adherence to these policies. In addition, if a member encounters serious difficulties (which may be discerned from the information that is required to be continually generated by members and provided to the Steering Company), the Steering Company has the power to provide assistance and/or intervene in the management (by appointing or removing the members of the management board) of the affected member savings bank and to require other member savings banks to provide such support and assistance as the Steering Company determines. As at 31 December 2008, Erste Group Bank held together with Erste Bank Oesterreich 64.7% of the share capital of Haftungsverbund GmbH. Erste Group Bank's stake in the sHaftungs- und Kundenabsicherungs GmbH, the steering company under the original Haftungsverbund agreement, amounted to 68.2% as at 31 December 2008).

Assistance may take the form of injection of liquidity, the granting of emergency loans, the assumption of guarantees or claims, the assignment of claims, and the injection of equity. To support the Steering Company, each member savings bank has made a commitment to contribute funds up to a maximum cumulative amount of 1.5% of the member's risk-weighted assets from time to time, determined on a non-consolidated basis, plus 75% of the member's anticipated pre-tax profits for the current financial year.

In the event that a member goes bankrupt, the other members guarantee, through the Steering Company, the payment of all amounts owed to customers by the bankrupt member, including:

- (i) all deposits (as defined in section 1 paragraph 1, No. 1 of the Banking Act);
- (ii) all monetary claims based on credit balances from banking transactions; and
- (iii) all monetary claims from the issuance of securities,

unless the relevant amounts are owed to a credit institution. This guarantee is also subject to the cumulative limit on members' obligations referred to above.

Erste Group's financial statements as at 31 December 2008 under IFRS comprise all Austrian savings banks with the exception of Sparkasse Kufstein, whose membership in the Haftungsverbund became effective in January 2009. Allgemeine Sparkasse Oberösterreich is included in the financial statements as at 31 December 2008 as a member of the original Haftungsverbund-agreement. This agreement will end on 31 December 2009. Negotiations regarding a continuation and strengthening of the existing relationship between Allgemeine Sparkasse Oberösterreich and Erste Group Bank are ongoing.

In 2007 and 2008, Erste Group Bank entered into further agreements with all Austrian savings banks (with the exception of Allgemeine Sparkasse Oberösterreich) that confer on Erste Group Bank, on a contractual basis, the possibility of exercising a decisive influence on the savings banks. These agreements were approved by the Austrian Competition Authority as mergers (*Zusammenschluss*) within the meaning of the EC Merger Regulation and the Austrian Cartel Act (*Kartellgesetz*). These mergers are designed to further strengthen the group's unity and performance, in particular by taking a joint approach in the following five main areas:

- the joint development of products and services;
- the projection of a unified identity through a one-brand strategy;
- the standardisation of business and marketing strategies for retail and corporate banking;
- the development of common management information and control systems and integration of central functions; and
- the introduction of a common performance-related remuneration scheme for management.

### **Erste Group's Business Segments**

Prior to the de-merger of Erste Group Bank and Erste Bank Oesterreich, Erste Group's business in Austria was divided into four segments: Savings Banks/Haftungsverbund, Retail and Mortgage, Large Corporates, and Treasury and Investment Banking.

The new segmentation became effective as of the third quarter of 2008 and reflects the new organisational structure of Erste Group Bank. The new divisional reporting follows the new Group structure and is therefore divided into the following four areas: Retail & SME, Group Corporate & Investment Banking, Group Markets, and Corporate Center.

The Retail & SME division is subdivided into the individual regional businesses focusing on Erste's local customer business. To improve transparency and to be consistent with current reporting, the Austrian segment is split into the new Erste Bank Oesterreich (including local

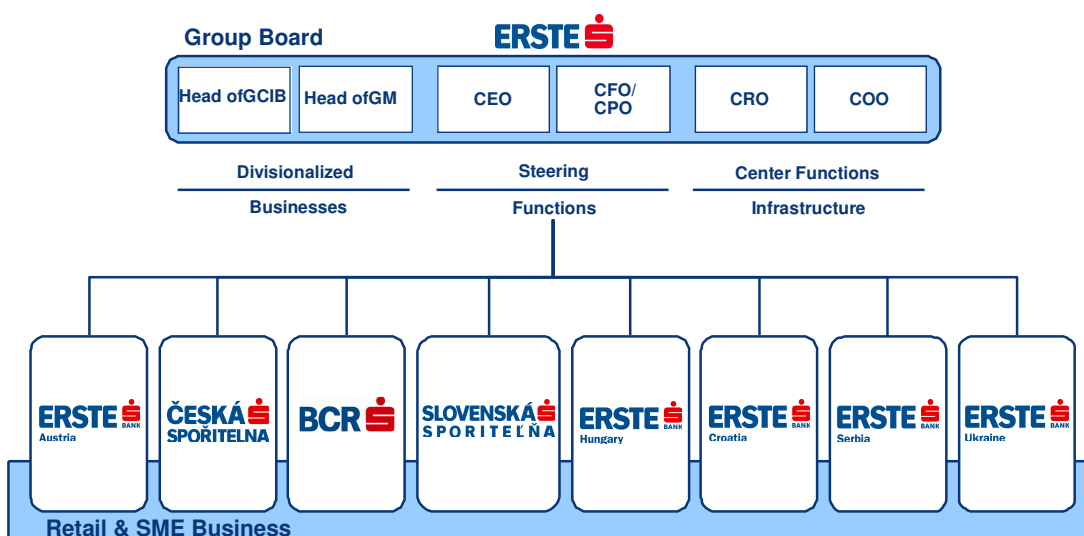
subsidiaries) and the savings banks consolidated under the Haftungsverbund. In Central and Eastern Europe, all the subsidiaries continue to be reported individually.

Group Corporate & Investment Banking includes all large corporate customers in Erste Group's region with a turnover of more than EUR 175 million. The international business (excluding treasury operations), the real estate business including the leasing subsidiary Immorent as well as the investment banking activities and equity capital markets are also allocated to this segment.

Group Markets includes divisionalised business lines like group treasury, and debt capital markets.

The Corporate Center continues to contain group services such as marketing, organisation and information technology, as well as other departments supporting the execution of group strategy. In addition, consolidation items and selected non-operating items are allocated to this segment. In the new structure group balance sheet management is now allocated to the Corporate Center. The result of local asset/liability management units remains with the respective local divisions.

The following chart shows the structure of Erste Group:



### **Retail & SME**

#### **Erste Bank Oesterreich**

This segment comprises Erste Bank Oesterreich (in particular retail and SME business) and its subsidiaries, in which Erste Bank Oesterreich has majority holdings (Salzburger Sparkasse, Tiroler Sparkasse and Sparkasse Hainburg-Bruck-Neusiedl) and the s Bausparkasse (building society). The contributions made by the divisionalised business units Group Markets and Group Corporate and Investment Banking are reported under the respective segments.

The following table sets out summary financial information for the Erste Bank Oesterreich segment as of 31 December 2008 and 2007:

<b>in EUR million</b>	<b>2008</b>	<b>2007</b>
Pre-tax profit from continuing operations	95.2	158.2
Net profit after taxes and minority interests	81.5	118.7
Cost/income ratio in %	70.6	70.3
Return on equity in %	8.2	13.4

Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008

### Savings banks

The following table sets out Erste Bank Oesterreich's ownership in the Savings Banks as of 31 December 2008:

<b>in EUR million</b>	<b>Ownership in %</b>	<b>Total Assets</b>
Sparkasse Mühlviertel-West	40.0	499.4
Allgemeine Sparkasse Oberösterreich	26.9	11,072.5
Steiermärkische Bank und Sparkasse	25.0	14,005.1
Sparkasse Kremstal-Pyhrn	30.0	568.1
Kärntner Sparkasse	25.0	4,534.9
Sparkasse Voitsberg-Köflach	6.5	545.3
Weinviertler Sparkasse	49.4	553.1

Source: Internal information of Erste Group, Erste Group Bank and Erste Bank Oesterreich, except that the figures shown in the column "Total Assets" are based on internal calculations or information of Erste Group Bank

The following table sets out summary financial information for the savings banks segment as of 31 December 2008 and 2007:

<b>in EUR million</b>	<b>2008</b>	<b>2007</b>
Pre-tax profit from continuing operations	20.5	320.4
Net profit after taxes and minority interests	(26.1)	20.0
Cost/income ratio in %	67.0	65.6
Return on equity in %	-	8.8

Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008

### **Group Corporate and Investment Banking**

The Group Corporate & Investment Banking segment includes the large corporate business with companies that are active in Erste Group's markets and have sales in excess of EUR 175 million. Erste Group's international business (excluding treasury activities) and its real estate business with large corporates, together with its leasing subsidiary Immorent and investment banking (including equity capital markets), are also allocated to this segment.



The following table sets out summary financial information for the Group Corporate and Investment Banking segment as of 31 December 2008 and 2007:

in EUR million	2008	2007
Pre-tax profit from continuing operations	230.0	366.4
Net profit after taxes and minority interests	169.8	269.5
Cost/income ratio in %	27.7	28.9
Return on equity in %	11.7	19.9
Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008		

### **Group Markets**

The Group Markets segment comprises the divisionalised business units Group Treasury and Debt Capital Markets. Besides Erste Group Bank's own treasury activities, this includes the Treasury units of the CEE subsidiaries, the foreign branches in Hong Kong and New York, as well as the Treasury activities of the investment banks Erste Securities Polska, Erste Bank Investment Hungary and Erste Securities Zagreb.

The following table sets out summary financial information for the Group Markets segment as of 31 December 2008 and 2007:

in EUR million	2008	2007
Pre-tax profit from continuing operations	211.1	303.0
Net profit after taxes and minority interests	151.5	227.5
Cost/income ratio in %	47.0	37.2
Return on equity in %	79.8	152.3
Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008		

### **Corporate Center**

The Corporate Center segment includes results from companies that are not directly assigned to a specific business segment, consolidated items between the segments, the straight-line amortisation of customer relationships at BCR and Erste Card Club (formerly Diners Club Adriatic d.d.) and one-off effects which, in order to ensure comparability, were not assigned to a specific business segment. The proceeds from the sale of the insurance business to Vienna Insurance Group are reported under this heading. In addition, Erste Group Bank's balance sheet structure management is assigned to this segment. The results of the local balance sheet management structure units continue to be reported under the individual segments.

The following table sets out summary financial information for the Corporate Centre as of 31 December 2008 and 2007:

in EUR million	2008	2007
Pre-tax profit	(1,209.3)	(299.6)
Net profit after taxes and minority interests	(341.9)	(211.0)
Cost/income ratio in %	-	-
Return on equity in %	-	-

Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008

### ***Erste Group's Business in Central and Eastern Europe***

Initially, Erste Group defined its extended home market as Austria's neighbouring countries in Central Europe. In the next phase of its strategic development, Erste Group extended its home market to the adjacent regions (including any further potential EU candidates Eastern and South-Eastern Europe). Erste Group believes that the foremost requirement for succeeding in retail banking in this region is achieving a strong market presence and accordingly Erste Group's long term objective is to attain a market share of at least 15% to 20% in each such country.

### ***Majority holdings of Erste Group Bank in Central and Eastern Europe (as of 31 December 2008)***

Country	Erste Group Bank's subsidiary	Direct Ownership in %
Croatia	Erste & Steiermärkische bank d.d., Rijeka	55.1
Czech Republic	Česká spořitelna a.s.	98
Hungary	Erste Bank Hungary Nyrt.	99.9
Romania	Banca Comercială Română SA	69.3
Serbia	Erste Bank a.d., Novi Sad	74
Slovak Republic	Slovenská sporiteľňa, a.s.	100
Ukraine	JSC Erste Bank	100

Source: Internal information of Erste Group, Erste Group Bank and Erste Bank Oesterreich

In addition, Erste Group Bank acquired a 9.8% minority stake in the Russian JSC Commercial Bank Center-Invest in 2008.

Further to the direct ownership, Erste Group Bank holds stakes in Slovenia (Banka Sparkasse d.d.), Bosnia-Herzegovina (ABS Banka d.d.) and Investbanka a.d., Skopje, Macedonia, through savings banks consolidated due to the Haftungsverbund as well as a stake in Montenegro (Opportunity Bank a.d. Podgorica) through Erste Bank Croatia.

#### **Erste Bank Croatia**

Erste & Steiermärkische banka d.d., Rijeka ("Erste Bank Croatia") is one of the largest universal banks in Croatia serving more than 715,000 clients through a nationwide network of 119 branches with 2,061 employees in its group. Erste Bank Croatia commands a 12.1% market share by total assets and 12.3% as well as 12.1% in retail lending and retail deposits, respectively. In addition, Erste Bank Croatia distributes a range of related financial products in

the areas of asset management, life insurance, securities brokerage, leasing and pension funds. (Source: Croatian National Bank)

On 3 December 2008 Erste Bank Croatia initiated a cooperation with the non-profit microfinance organisation Opportunity International and has signed a share purchase agreement to acquire a 100% stake in Opportunity Bank a.d. Podgorica in Montenegro. The acquisition closed on 5 March 2009.

The following table sets out summary financial information for the Croatia segment, of which Erste Bank Croatia represents a major part, as of 31 December 2008 and 2007:

<b>in EUR million</b>	<b>2008</b>	<b>2007</b>
Pre-tax profit	128.7	98.8
Net profit after taxes and minority interests	66.7	51.2
Cost/income ratio in %	45.4	47.8
Return on equity in %	42.1	37.8

Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008

#### Česká spořitelna

Since its privatisation in 2000, the former state savings bank has become a universal bank serving some 5.3 million retail, SME and large corporate clients; it operates a network of 646 branches and 1,164 ATMs. Česká spořitelna's services include also fund management, securities trading, factoring and foreign exchange dealing.

Česká spořitelna maintained its leading position again in 2008 in retail banking and continued to rank among the three leading banks in terms of total assets. In December 2008 its market share of total assets remained stable and represented 21%, whereas at the same time in mortgages (31% including corporate), total loans (22%), consumer loans (44%), total deposits (24%) and payment cards (39%) Česká spořitelna confirmed its number one position in the Czech market. (Source: Czech National Bank).

The following table sets out summary financial information for the Czech Republic segment, of which Česká spořitelna represents a major part, as of 31 December 2008 and 2007:

<b>in EUR million</b>	<b>2008</b>	<b>2007</b>
Pre-tax profit	439.9	460.9
Net profit after taxes and minority interests	349.8	372.3
Cost/income ratio in %	49.1	53.7
Return on equity in %	43.3	50.8

Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008

## Erste Bank Hungary

Following the merger with and integration of Postabank és Takarékpénztár Rt. ("Postabank"), Erste Bank Hungary has become one of the leading institutions in the Hungarian banking market. It has grown into one of the largest retail banks with a market share of some 12% in retail lending as well as almost 8% based on its balance sheet total. Erste Bank Hungary serves more than 800,000 private customers in its nationwide network of 203 branches. (Source: Hungarian National Bank)

The cooperation with Magyar Posta Rt (the Hungarian post office) continued in 2008. In return for using their outlets as a secondary distribution network, Erste Bank Hungary supplies them with modern banking products ranging from current accounts to bank cards and investment funds.

The following table sets out summary financial information for the Hungary segment, of which Erste Bank Hungary represents a major part, as of 31 December 2008 and 2007:

---

<b>in EUR million</b>	<b>2008</b>	<b>2007</b>
Pre-tax profit	147.4	103.1
Net profit after taxes and minority interests	109.5	76.5
Cost/income ratio in %	52.1	54.4
Return on equity in %	34.1	26.9

Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008

## Banca Comercială Română S.A.

Banca Comercială Română S.A. ("BCR") is the leading financial services group in Romania. The bank serves approximately 4.5 million retail and corporate customers and operates a network of 641 branches (31 December 2008). The market share in terms of net assets reached 20.3% at the end of the year 2008. BCR's market shares in total banking loans and total banking deposits amounted to 21.8% and 20.3%, respectively. (Source: Romanian National Bank)

During 2008, BCR continued to undergo an extensive transformation process aimed at establishing a more flexible and customer-oriented structure in line with Erste Group's standards. The integration and development programme which had started in 2006, officially closed in April 2008 whereas several projects and activities such as the extension of card business, implementation of alternative channels (internet banking, etc.), retail and corporate process reengineering, setup of a local data warehouse in combination with an increased data quality effort, as well as the ongoing implementation of Basel II and a group performance model remained top priorities since then.

One of the key achievements of 2008 was the sale of Erste Group's insurance business which included BCR's subsidiaries BCR Asigurari and BCR Asigurari de Viata to WIENER STÄDTISCHE Versicherung AG Vienna Insurance Group. Further, the 25% stake held in the insurer Asiban as well as a minority shareholding in Banca Italo Romena, were successfully sold in 2008.

The following table sets out summary financial information for the Romania segment, of which Banca Comercială Română represents a major part, as of 31 December 2008 and 2007:

---

<b>in EUR million</b>	<b>2008</b>	<b>2007</b>
Pre-tax profit	439.8	294.2
Net profit after taxes and minority interests	240.1	168.3
Cost/income ratio in %	45.5	65.6
Return on equity in %	53.4	40.8

Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008

#### Erste Bank Serbia

Erste Bank a.d., Novi Sad ("Erste Bank Serbia") is one of Serbia's smaller banks with a market share by total assets of 2.6% Erste Bank Serbia has some 200,000 clients and a network of 68 branches. Catering to the needs of a broad retail and mid-market corporate client base, the bank is particularly well represented in the north and centre of Serbia and it further strengthened its presence in Belgrade. (Source: Serbian National Bank)

Erste Bank Serbia's strategic aim is to further strengthen its market position in Serbia as a whole, especially with the help of further optimisation of processes, improved product portfolio and service offered to customers.

The following table sets out summary financial information for the Serbia segment, of which Erste Bank Serbia forms a major part, as of 31 December 2008 and 2007:

---

<b>in EUR million</b>	<b>2008</b>	<b>2007</b>
Pre-tax profit	5.9	(3.4)
Net profit after taxes and minority interests	4.7	(2.7)
Cost/income ratio in %	76.2	n.a.
Return on equity in %	10.5	n.a.

Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008

#### Slovenská sporiteľňa

The former state savings bank serves some 2.5 million clients, equalling roughly 50% of the Slovak population, through a network of 275 branches and 627 ATMs. It is the market leader in retail as well as total deposits, as well as in retail and total loans. Slovenská sporiteľňa has become the market leader in retail lending as well as retail deposits. (Source: Slovak National Bank)

The following table sets out summary financial information for the Slovak Republic segment, of which Slovenská sporiteľňa represents a major part, as of 31 December 2008 and 2007:

<b>in EUR million</b>	<b>2008</b>	<b>2007</b>
Pre-tax profit	100.4	113.6
Net profit after taxes and minority interests	82.7	103.6
Cost/income ratio in %	53.3	55.0
Return on equity in %	27.5	38.4

Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008

### Erste Bank Ukraine

Following the 100% acquisition of Bank Prestige by Erste Group in January 2007, the focus of activity in this segment has been the expansion of the market position of the bank, which was renamed "Erste Bank Ukraine". Since the acquisition, the bank opened approximately 130 branches and increased its market share to almost 1.2% based on its balance sheet total. (Source: Ukrainian National Bank)

The following table sets out summary information for the Ukraine segment, of which Erste Bank Ukraine represents a major part, as of 31 December 2008 and 2007:

<b>in EUR million</b>	<b>2008</b>	<b>2007</b>
Pre-tax profit	(33.4)	(23.0)
Net profit after taxes and minority interests	(28.7)	(19.1)
Return on equity in %	-	-

Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008

### Subsidiaries and participations

The following table contains a list of important subsidiaries and participations of Erste Group Bank as of 31 December 2008. For the purpose of this table, "Erste Group" does not include the Austrian savings banks which are required to be consolidated under IFRS into Erste Group's results due to their membership in the Haftungsverbund and in which Erste Group Bank holds either a minority interest or no equity stake at all:

<b>Name of the subsidiary</b>	<b>Country</b>	<b>Ownership (in%) by</b>	
		<b>Erste Group Bank</b>	<b>Erste Group</b>
Erste Bank der oesterreichischen Sparkassen AG	Austria	100	100
Banca Comercială Română SA	Romania	69.3	69.3
Česká spořitelna, a.s.	Czech Republic	98.0	98.0 <sup>(1)</sup>
Slovenská sporiteľňa, a. s.	Slovak Republic	100	100
Erste Bank Hungary Nyrt	Hungary	99.9	99.9
Erste & Steiermärkische banka d.d., Rijeka	Croatia	55.1	65.4
Erste Bank a.d., Novi Sad	Serbia	74.0	80.5
Joint-Stock Company "Erste Bank"	Ukraine	100	100

Erste Asset Management GmbH <sup>(2)</sup>	Austria	-	100
IMMORENT Aktiengesellschaft	Austria	100	100
s IT Solutions Holding GmbH <sup>(3)</sup>	Austria	-	100
ecetra Internet Services AG	Austria	100	100
s Haftungs- und Kundenabsicherungs GmbH	Austria	55.5	68.2
Haftungsverbund GmbH	Austria	1.0	64.7

Source: Internal information of Erste Group, Erste Group Bank and Erste Bank Oesterreich

(1) Voting rights 99.5%

(2) Holding company for all domestic and foreign asset management/Investment funds operations/companies Erste Group

(3) Holding company for all domestic and foreign IT operations/companies of Erste Group

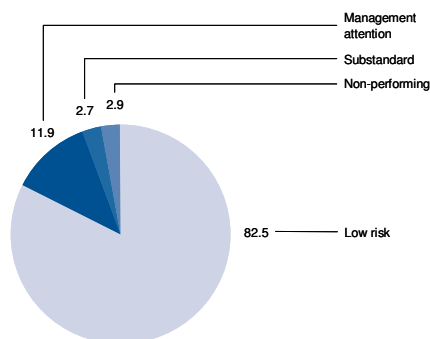
## Credit Risk

Credit exposure represents the total of the following balance sheet items: loans and advances to credit institutions and loans and advances to customers; fixed-income securities held for trading, at fair value through profit or loss, or available for sale; held-to-maturity investments; and derivatives and credit risks held off-balance sheet (including undrawn credit commitments); in 2007, this item additionally included the investments of the insurance companies sold in 2008.

### Credit risk by risk class

A decrease occurred in the share represented by the best risk class (low risk), while exposure increased in the other categories; especially the assets in the substandard and non-performing portfolios increased significantly. Non-performing assets as a share of total exposure (i.e., the so-called NPL ratio) showed a marked increase from 2.2% to 2.9%.

### Credit exposure by risk class 2008 in %



82.5% of Erste Group's total credit exposure, constituted the best risk class and 11.9% constituted the management attention class; the proportion of the two weaker risk classes combined increased from 4.2% to 5.6%.

## Credit exposure by risk class: Total

in EUR million	Management				Exposure
	Low risk	attention	Sub-standard	Non-performing	
Total exposure at 31 Dec 2008	177,762	25,692	5,869	6,345	215,668
Share of total exposure	82.5%	11.9%	2.7%	2.9%	100.0%
Risk provisions at 31 Dec 2008	135	178	325	3,273	3,911
Covered by risk provisions	0.1%	0.7%	5.5%	51.6%	1.8%
Total exposure at 31 Dec 2007	179,643	23,496	4,105	4,763	212,007
Share of total exposure	84.7%	11.1%	2.0%	2.2%	100.0%
Risk provisions at 31 Dec 2007	72	152	466	2,671	3,362
Covered by risk provisions	0.0%	0.6%	11.4%	56.1%	1.6%
Change in total exposure in 2008	(1,881)	2,196	1,763	1,582	3,661
Change	(1.0%)	9.3%	43.0%	33.2%	1.7%
Change in risk provisions in 2008	63	27	(142)	602	550
Change	86.9%	17.5%	(30.4%)	22.5%	16.3%

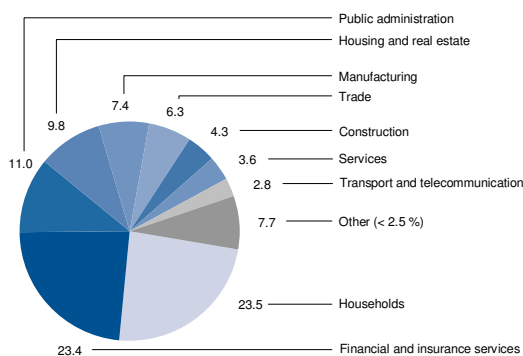
Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008

## Credit risk by sector

When comparing the current sector composition of credit risk with the previous year, it is important to take into account a change in the structure of sector attribution based on the new OENACE classifications: Despite the reassignment of holding companies from real estate and corporate related services to financial and insurance services, this sector represents the second largest risk volume followed by private households. These sectors are followed by public administration and housing and real estate. The four largest sectors together accounted for more than two-thirds of total credit exposure, compared with almost three-quarters of the total in the previous year. The next highest exposures were found in the manufacturing and trade sectors.

With the exception of construction and, for the first time, the service, transportation and communication sectors, the shares of other industries accounted for less than 2.5%. Compared to the previous years, this represents an increase in diversification across sectors.

## Credit exposure by sector 2008 in %





## Credit exposure by sector: Total in 2008

2008 in EUR million	Gross Exposure				Exposure
	Low risk	Management attention	Sub- standard	Non-per- forming	
Agriculture and forestry	1,139	588	156	138	2,021
Mining	735	66	21	11	834
Manufacturing	10,908	3,501	773	697	15,879
Energy and water supply	2,779	509	99	74	3,461
Construction	6,682	1,861	460	362	9,364
Development of building projects	2,023	415	226	31	2,694
Trade	9,190	3,313	448	694	13,646
Transport and communication	4,239	1,262	349	252	6,102
Hotels and restaurants	2,495	1,278	270	469	4,512
Financial and insurance services	48,306	1,775	105	364	50,551
Holding companies	5,938	296	40	130	6,405
Real estate and housing	16,059	3,995	410	590	21,054
Services	6,055	1,192	174	425	7,846
Public administration	23,015	776	20	13	23,824
Education, health and art	2,423	566	270	132	3,392
Private households	42,394	4,978	1,279	2,120	50,771
Other	1,342	32	1,033	4	2,412
<b>Total</b>	<b>177,762</b>	<b>25,692</b>	<b>5,869</b>	<b>6,345</b>	<b>215,668</b>

Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008

## Credit exposure by sector: Total in 2007\*)

2007 in EUR million	Gross Exposure				Exposure
	Low risk	Management attention	Sub- standard	Non-per- forming	
Agriculture and forestry	1,094	631	182	127	2,033
Mining	764	214	28	11	1,016
Manufacturing	11,787	2,747	524	510	15,568
Energy and water supply	2,214	242	67	62	2,585
Construction	4,569	1,331	225	339	6,464
Trade	8,896	3,334	515	561	13,306
Tourism	2,040	1,158	258	443	3,900
Transport and communication	3,102	894	236	189	4,422
Banking and insurance	53,876	1,137	155	40	55,208
Real estate and other business activities	23,827	4,898	431	728	29,883
Public administration	25,005	495	17	14	25,531
Healthcare and social services	1,146	252	38	73	1,509
Other services	2,129	570	110	149	2,957
Private households	36,913	5,439	685	1,485	44,522
Other	2,281	152	634	33	3,101
<b>Total</b>	<b>179,643</b>	<b>23,496</b>	<b>4,105</b>	<b>4,763</b>	<b>212,007</b>

Source: Audited Consolidated Financial Statements of Erste Group Bank for the financial year ended 31 December 2008

\*) At the end of 2008 the structure of industries has been changed according to OENACE-Codes. Therefore the terms of industries had to be amended and the assignment of credit exposures to industries changed in some cases significantly. The comparative figures for 2007 are not available in the new structure.

## **Basel II**

Having passed the required audit conducted by the Austrian supervisory authority in 2006, Erste Group (including almost all Haftungsverbund savings banks and Česká spořitelna a.s.) successfully qualified for Basel II advanced internal ratings based (IRB) approaches to the measurement of credit risk, effective from the entry of the new regulations into force on 1 January 2007. For credit risk, Erste Group applies the Advanced IRB Approach in the retail segment and the Foundation IRB Approach in all other Basel segments. In 2008, these standards were also adopted by Erste Bank Hungary Nyrt. and Slovenská sporiteľňa a.s.

According to the current rollout plan for the Erste Group, the transition from the Standardised Approach to the IRB Approach is to be made in 2009 for Erste Bank Croatia and in the subsequent years for Banca Comercială Română SA, Erste Bank Serbia and Erste Bank Ukraine.

## ADMINISTRATIVE, MANAGING AND SUPERVISORY BODIES

### Managing Board

#### Andreas Treichl

##### *Chairman*

SB <sup>1</sup> chairman	Banca Comercială Română SA
SB chairman	Erste Bank der oesterreichischen Sparkassen AG
MB <sup>2</sup> chairman	DIE ERSTE österreichische Spar-Casse Privatstiftung
SB deputy chairman	Donau Versicherung AG Vienna Insurance Group
MB member	Österreichischer Sparkassenverband
Advisory Board member	s Haftungs- und Kundenabsicherungs GmbH
SB chairman	Sparkassen Versicherung Aktiengesellschaft Vienna Insurance Group
MB chairman	Felima Privatstiftung
MB chairman	Ferdima Privatstiftung
SB chairman	MAK-Österreichisches Museum für angewandte Kunst
Advisory Board member	good.bee Holding GmbH
SB member	Österreichische Galerie Belvedere
Advisory Board deputy chairman	Haftungsverbund GmbH

#### Franz Hochstrasser

##### *Deputy Chairman*

SB member	brokerjet Ceske sporitelny, a.s.
SB chairman	ecetra Central European e-Finance AG
SB chairman	ecetra Internet Services AG
Advisory board chairman	Erste Securities Zagreb d.o.o.
SB deputy chairman	Österreichische Kontrollbank Aktiengesellschaft
SB chairman	Slovenská sporiteľňa, a.s.
SB member	Wiener Börse AG

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<sup>1</sup> "SB" means Supervisory Board

<sup>2</sup> "MB" means Managing Board

## **Herbert Juranek**

### ***Member***

SB member	Banca Comercială Română SA
SB member	Česká spořitelna, a.s.
SB chairman	Dezentrale IT-Infrastruktur Services GmbH
SB member	ecetra Central European e-Finance AG
SB member	ecetra Internet Services AG
SB chairman	Erste & Steiermärkische bank d.d.
SB deputy chairman	Informations-Technologie Austria GmbH
Executive committee chairman	Informations-Technologie Austria SK, spol.s.r.o.
SB chairman	s IT Solutions AT Spardat GmbH
Advisory board member	s IT Solutions Holding GmbH
SB chairman	s IT Solutions SK, spol.s.r.o.
SB member	Slovenská sporiteľňa, a.s.
Advisory board chairman	OM Objektmanagement GmbH

## **Johannes Leobacher**

### ***Member***

SB member	Erste Befektetesi Zrt.
Advisory board member	Erste Securities Zagreb d.o.o.
SB member	IMMORENT Aktiengesellschaft

## **Bernhard Spalt**

### ***Member***

SB member	Banca Comercială Română SA
SB deputy chairman	Česká spořitelna, a.s.
SB deputy chairman	ecetra Central European e-Finance AG
SB deputy chairman	ecetra Internet Services AG
SB member	Erste Bank der oesterreichischen Sparkassen AG
SB member	Erste Bank Hungary Nyrt.
Advisory board member	Haftungsverbund GmbH
SB member	Joint Stock Company "Erste Bank"
SB deputy chairman	Österreichische Clearingbank AG
SB member	Slovenská sporiteľňa, a.s.
Advisory board member	s Haftungs- und Kundenabsicherungs GmbH

Administrative council chairman Erste Reinsurance SA

**Manfred Wimmer**

**Member**

SB deputy chairman	Banca Comercială Română SA
SB chairman	Česká spořitelna, a.s.
SB member	Erste Bank der oesterreichischen Sparkassen AG
SB chairman	Erste Bank Hungary Nyrt

The address of the members of the Managing Board is Graben 21, 1010 Vienna, Austria.

**Supervisory Board**

**Members of the Supervisory Board**

**Chairman**

Heinz Kessler  
c/o Graben 21  
1010 Vienna

Other supervisory board memberships:

Chairman	Nettingsdorfer Papierfabrik Management AG
Chairman	Reform-Werke Bauer & Co Holding Aktiengesellschaft
Chairman	Reform-Werke Bauer & Co Gesellschaft m.b.H
Deputy chairman	Uniqa Versicherungen AG
Member	DIE ERSTE österreichische Spar-Casse Privatstiftung
Deputy chairman	Austria Versicherungsverein auf Gegenseitigkeit Privatstiftung
Chairman	Rath Aktiengesellschaft
Member	Allgemeine Sparkasse Oberösterreich Bankaktiengesellschaft
Deputy chairman	Erste Bank der oesterreichischen Sparkassen AG
Member	Česká spořitelna, a.s.

Additional supervisory board memberships within the savings banks group

***First Deputy Chairman:***

Georg Winckler  
Rector of the University of Vienna  
Dr. Karl Lueger-Ring 1  
1010 Vienna

Other supervisory board memberships:

Chairman	Austria Versicherungsverein auf Gegenseitigkeit Privatstiftung
Deputy chairman	UNIQA Versicherungen AG
Member	Innovationszentrum Universität Wien GmbH
Deputy chairman	DIE ERSTE österreichische Spar-Casse Privatstiftung
Member	Steiermärkische Bank und Sparkassen Aktiengesellschaft

Additional supervisory board memberships within the savings banks group

***Second Deputy Chairman:***

Theresa Jordis  
Attorney at law  
DORDA BRUGGER JORDIS  
Rechtsanwälte GmbH  
Dr. Karl Lueger-Ring 12  
1010 Vienna

Other supervisory board memberships:

Chairman	Wolford Aktiengesellschaft
Chairman	Miba Aktiengesellschaft
Chairman	Mitterbauer Beteiligungs — Aktiengesellschaft
Chairman	Prinzhorn Holding GmbH

Bettina Breiteneder  
Businesswoman  
Breiteneder Immobilien-Parking  
Walfischgasse 5  
1010 Vienna

Other supervisory board memberships:

Chairman	ZS Einkaufszentren Errichtungs- und Vermietungs Aktiengesellschaft
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Elisabeth Gürtler  
Minority Shareholders' Representative  
Businesswoman  
Hotel Sacher  
Philharmonikerstraße 4  
1010 Vienna

Member of the Advisory Board Oesterreichische Nationalbank (OeNB)

Member Österreich Werbung

Jan Homan  
CEO of Teich AG  
Mühlhofen 4  
3200 Obergrafendorf

Other supervisory board memberships:

Member Allianz Elementar Versicherungs-  
Aktiengesellschaft

Member Danapak Flexibles AS

Member Alucommerz AG

Member Constantia Colmar Inc.

Additional supervisory board memberships within the Teich group

Juan Maria Nin Génova  
President and CEO „la Caixa“  
Avenida Diagonal 621-629, Torre 1  
08028 Barcelona / Spain

Member Board of Directors Criteria Caixacorp, S.A.

Member CaiFor, S.A. (Insurances)

Member Board of Directors Gas Natural

Member Board of Directors Repsol YPF

Member Board of Directors Banco BPI, S.A. (Portugal)

Member Board of Directors Grupo Financiero Inbursa, S.A.B. DE C.V.  
(Mexiko)

Brian D. O'Neill  
Former Vice-Chairman, Investment Banking, JPMorgan Chase & Co  
c/o Graben 21  
1010 Vienna

Other supervisory board memberships:

Member of the board of trustees	El Museo del Barrio, New York City
Member of the Advisory Council	David Rockefeller Center for Latin American Studies
Director	Council of the Americas and the Americas Society

John James Stack  
Former CEO of Česká spořitelna  
c/o Graben 21  
1010 Vienna

Other supervisory board memberships:

Member	Shorebank International
Member	Mutual of America
Member	American Friends of the Czech Republic
Member	Fund for Peace

Wilhelm Rasinger  
Minority Shareholders Representative  
Feldmühlgasse 22  
1130 Vienna

Other supervisory board memberships:

Member	CEE Immobilien Development Aktiengesellschaft
Member	Wienerberger Aktiengesellschaft
Chairman	Friedrichshof Wohnungsgenossenschaft reg. Gen.mBH

Friedrich Rödler  
Public Accountant and Tax Consultant  
PwC PricewaterhouseCoopers Wirtschaftsprüfung und Steuerberatung GmbH  
Erdbergstraße 200  
1030 Vienna

Other supervisory board memberships:

Member	Erste Bank der oesterreichischen Sparkassen AG
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Werner Tessmar-Pfohl

Sattler AG  
Sattlerstraße 45  
8041 Graz

Other supervisory board memberships:

Chairman	Sattler AG
Deputy chairman	Teufelberger Holding Aktiengesellschaft
Chairman	Steiermärkische Bank und Sparkassen Aktiengesellschaft

Additional supervisory board memberships within the savings banks group.

**Representatives of the Staff Council:**

Friedrich Lackner  
Member of the Central Staff Council

Other supervisory board memberships:

Member	DIE ERSTE österreichische Spar-Casse Privatstiftung
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Bertram Mach  
Member of the Central Staff Council

Barbara Smrcka  
Member of the Central Staff Council

Andreas Lachs  
Member of the Central Staff Council

Christian Havelka  
Member of the Central Staff Council

Karin Zeisel  
Member of the Central Staff Council

**Representatives of the Supervisory Authorities:**

Robert Spacek  
Chief Senate Councillor  
State Commissioner

Dietmar Griebler  
Senate Councillor  
Vice State Commissioner

Marcus Heinz (until 31 July 2009)  
Councillor  
Commissioner for Covered Bonds

Tamara Els (from 1 August 2009)  
Councillor  
Commissioner for Covered Bonds

Eduard Moser  
Councillor  
Vice-Commissioner for Covered Bonds

Irene Kienzl  
Councillor  
Trustee gemäß Hypothekenbankgesetz

Anton Rainer  
Councillor  
Deputy Trustee gemäß Hypothekenbankgesetz

Erste Group Bank is not aware of any conflicts of interests between any duties to Erste Group Bank of members of the Supervisory Board or Managing Board and their private interests and/ or other interests.

#### **Shareholders of Erste Group Bank**

Erste Group Bank's major shareholder, DIE ERSTE österreichische Spar-Casse Privatstiftung, is a private foundation which was created by the transformation of DIE ERSTE Österreichische Spar-Casse Anteilsverwaltungssparkasse, a special form of savings bank holding company, with effect as of 19 December 2003. Such type of transformation is provided for under the Savings Bank Act. On 4 June 2009 Criteria CaixaCorp, S.A. of Spain has announced that its holding in Erste Group Bank's shares exceeds 5% and that it intends to increase this stake to 10% over time. Thus - as of 30 June 2009 - the major shareholders of Erste Group Bank are DIE ERSTE österreichische Spar-Casse Privatstiftung (31.0%) and Austria Versicherungsverein auf Gegenseitigkeit (5.0%) and Criteria CaixaCorp, S.A. (5.1%). The free float amounts to 58.9% (of which all Savings Banks in aggregate hold 9.3% and Erste Group's employees hold 3.9%).

## HISTORICAL FINANCIAL INFORMATION

The audited consolidated annual financial statements of Erste Group Bank for the financial years ended 31 December 2008 and 2007, together in each case with the audit report thereon, are incorporated by reference in this Prospectus.

Extracts from the audited consolidated annual financial statements of Erste Group Bank for the years ended 31 December 2008 and 2007 are included below.

### **Consolidated Income Statements of Erste Group Bank for the year ended 31 December 2008 and 2007**

in EUR million	For the year ended 31 December		
	2008 audited	2007 re-presented audited	2007 audited
Net interest income	4,913.1	3,945.8	3,945.8
Risk provisions for loans and advances	(1,071.4)	(454.7)	(454.7)
Net fee and commissions income	1,971.1	1,857.9	1,857.9
Net trading result	114.7	351.1	351.1
General administrative expenses	(4,001.9)	(3,642.1)	(3,642.1)
Income from insurance business	0.0	0.0	35.0
Other operating result	(778.8)	(169.3)	(169.3)
Result from financial assets – at fair value through profit or loss	(295.6)	(47.8)	(47.8)
Result from financial assets – available for sale	(213.8)	51.0	51.0
Result from financial assets – held to maturity	61.2	0.7	0.7
Pre-tax profit for the period <sup>(1)</sup>	576.2	1,892.6	1,927.6
Taxes on income <sup>(2)</sup>	(177.3)	(371.0)	(377.6)
Post-tax profit <sup>(3)</sup>	398.9	1,521.6	1,550.0
Profit from discontinued operations net of tax	639.7	28.4	0.0
Net profit before minority interests	1,038.6	1,550.0	1,550.0
Minority interests	(179.0)	(375.3)	(375.3)
Net profit after minority interests	<b>859.6</b>	<b>1,174.7</b>	<b>1,174.7</b>

(1) In 2008 and 2007 when discontinued operations are presented this is the pre-tax profit from continuing operations.

(2) In 2008 and 2007 when discontinued operations are presented only taxes on income from continuing operations are included.

(3) In 2008 and 2007 when discontinued operations are presented this is the post-tax profit from continuing operations.

### **Consolidated Balance Sheet of Erste Group Bank as at 31 December 2008 and 2007**

in EUR million	As of 31 December	
	2008 audited	2007 audited
<b>Assets</b>		
Cash and balances with central banks	7,556	7,615
Loans and advances to credit institutions	14,344	14,937
Loans and advances to customers	126,185	113,956
Risk provisions for loans and services	(3,783)	(3,296)

Trading assets	7,534	6,637
Financial assets – at fair value through profit or loss	4,058	4,534
Financial assets – available for sale	16,033	16,200
Financial assets – held to maturity	14,145	16,843
Investments of insurance companies	0	8,054
Equity holdings in associates accounted for at equity	260	285
Intangible assets	4,805	5,962
Property and equipment	2,386	2,289
Tax assets	859	446
Assets held for sale <sup>(1)</sup>	526	0
Other assets	6,533	6,057
<b>Total assets</b>	<b>201,441</b>	<b>200,519</b>
<b>Liabilities and equity</b>		
Deposits by banks	34,672	35,165
Customer deposits	109,305	100,116
Debts securities in issue	30,483	31,078
Trading liabilities	2,519	1,756
Underwriting provisions	0	8,638
Other provisions	1,620	1,792
Tax liabilities	389	329
Liabilities associated with assets held for sale <sup>(2)</sup>	343	0
Other liabilities	4,968	4,653
Subordinated liabilities	6,047	5,589
<i>Equity</i>	<i>11,095</i>	<i>11,403</i>
Parent shareholders' equity	8,079	8,452
Minority interest	3,016	2,951
<b>Total liabilities and equity</b>	<b>201,441</b>	<b>200,519</b>

(1) *Includes the assets of a Romanian subsidiary which is classified as held for sale (disposal group) according to IFRS 5.*

(2) *Includes liabilities of a Romanian subsidiary which is classified as held for sale (disposal group) according to IFRS 5.*

The financial information provided above has been audited by Sparkassen-Prüfungsverband Prüfungsstelle and by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. The financial year of Erste Group Bank is the calendar year.

### **Auditors' Reports**

The Auditors' Reports on the consolidated financial statements as of 31 December 2008 and 2007 are incorporated by reference.

### **Interim and Other Financial Information**

The unaudited consolidated interim financial statements as of 31 March 2009 of Erste Group Bank are incorporated by reference in this Prospectus. A summary of such statements is set out below.

**Consolidated Income Statement of Erste Group Bank for the three months ended 31 March 2009 and 2008**

in EUR million	For the quarter ended 31 March		change in %
	2008	2007	
Net interest income	1,226.0	1,151.1	6.5
Risk provisions for loans and advances	(370.2)	(163.1)	>100.0
Net fee and commissions income	444.6	491.9	(9.6)
Net trading result	143.8	82.3	74.7
General administrative expenses	(975.9)	(964.8)	1.2
Other operating result	(39.9)	(22.9)	(74.2)
Result from financial assets – at fair value through profit or loss	(44.1)	(72.9)	39.5
Result from financial assets – available for sale	(10.8)	(12.8)	15.6
Result from financial assets – held to maturity	(0.1)	0	na
Pre-tax profit for the period	<b>373.4</b>	<b>488.8</b>	<b>(23.6)</b>
Taxes on income	(84.0)	(97.8)	(14.1)
Post-tax profit	<b>289.4</b>	<b>391.0</b>	<b>(26.0)</b>
Profit from discontinued operations net of tax	0	4.8	na
Net profit before minority interests	<b>289.4</b>	<b>395.8</b>	<b>(26.9)</b>
Minority interests	(57.3)	(80.2)	(28.6)
Net profit after minority interests	<b>232.1</b>	<b>315.6</b>	<b>(26.5)</b>

**Consolidated Balance Sheet of Erste Group Bank as at 31 March 2009 and 31 December 2008**

in EUR million	As of		change in %
	31 March 2009	31 December 2008	
<b>Assets</b>			
Cash and balances with central banks	5,897	7,556	(22.0)
Loans and advances to credit institutions	12,088	14,344	(15.7)
Loans and advances to customers	126,337	126,185	0.1
Risk provisions for loans and services	(4,008)	(3,783)	5.9
Trading assets	7,864	7,534	4.4
Financial assets – at fair value through profit or loss	3,667	4,058	(9.6)
Financial assets – available for sale	17,127	16,033	6.8
Financial assets – held to maturity	14,117	14,145	(0.2)
Equity holdings in associates accounted for at equity	263	260	1.2
Intangible assets	4,730	4,805	(1.6)
Property and equipment	2,341	2,386	(1.9)

Tax assets	831	859	(3.3)
Assets held for sale	477	526	(9.3)
Other assets	7,340	6,533	12.4
<b>Total assets</b>	<b>199,071</b>	<b>201,441</b>	<b>(1.2)</b>
<b>Liabilities and equity</b>			
Deposits by banks	30,747	34,672	(11.3)
Customer deposits	108,707	109,305	(0.5)
Debts securities in issue	30,951	30,483	1.5
Trading liabilities	2,695	2,519	7.0
Other provisions	1,654	1,620	2.1
Tax liabilities	325	389	(16.5)
Liabilities associated with assets held for sale	291	343	(15.2)
Other liabilities	5,571	4,968	12.1
Subordinated liabilities	6,070	6,047	0.4
<i>Equity</i>	12,060	11,095	8.7
Parent shareholders' equity	8,895	8,079	10.1
Minority interest	3,165	3,016	4.9
<b>Total liabilities and equity</b>	<b>199,071</b>	<b>201,441</b>	<b>(1.2)</b>

## LEGAL PROCEEDINGS

Erste Group Bank and some of its subsidiaries are involved in legal disputes, most of which have arisen in the course of its ordinary banking business. These proceedings are not expected to have a significant negative impact on the financial position or profitability of the Erste Group and/or Erste Group Bank. The Erste Group is also subject to the following ongoing proceedings:

### **Haftungsverbund**

In 2002, Erste Group Bank formed the Haftungsverbund on the basis of a set of agreements with the majority of the Austrian savings banks. The purpose of the Haftungsverbund was to establish a joint early-warning system as well as a cross-guarantee for certain liabilities of member savings banks and to strengthen the group's cooperation in the market.

In competition proceedings before the Austrian Cartel Court, both a competitor of Erste Group Bank and the Austrian Federal Competition Authority requested the court to set aside the Haftungsverbund agreements because of an alleged infringement of Article 81 of the EC Treaty.

In March 2007, the Supreme Court issued a decision confirming that the agreements that constitute the Haftungsverbund are for the most part in compliance with Article 81 of the EC Treaty.

However, the Supreme Court held certain provisions to be anticompetitive on their merits. In its findings, the Supreme Court did not cite any explicit measures that needed to be implemented by Erste Group Bank and the other parties. In April 2008, Erste Group Bank and the Cartel Court reached an understanding on the necessary adjustments to be made. This understanding (commitments within the meaning of section 27 Austrian Cartel Act) was challenged by Erste Group Bank's competitor before the Supreme Court. In October 2008, the Supreme Court set aside the decision of the Cartel Court due to a procedural error and remanded the case to the Cartel Court for reconsideration.

Neither the commitments (assuming they are upheld) nor the preceding decision of the Supreme Court affect the consolidation of the Qualifying Capital of the savings banks nor their inclusion as subsidiaries in the consolidated financial statements in accordance with IFRS of Erste Group Bank.

Since 2007, Erste Group Bank has entered into agreements with all Austrian savings banks (with the exception of Allgemeine Sparkasse Oberösterreich) that grant Erste Group Bank, on a contractual basis, a decisive influence on the savings banks and that lead to the establishment of an economic unit (merger) within the meaning of the EC Merger Regulation and the Austrian Cartel Act (Kartellgesetz). These agreements were formally approved by the competition authorities.

There are ongoing negotiations about a continuation and strengthening of the existing relationship between Allgemeine Sparkasse Oberösterreich and Erste Group Bank.

### **Auditors' Case - Erste Bank Hungary**

Several years prior to Postabank's acquisition by Erste Group Bank in 2003 - and its subsequent merger with Erste Bank Hungary - a court dispute was launched and has been ongoing since whereby the Hungarian State, as the former majority shareholder of Postabank, brought suit against Deloitte Hungary and Arthur Andersen Kft, two former auditors of Postabank, alleging that the Hungarian State suffered substantial losses as a result of their negligence as auditors of Postabank's financial statements for certain periods between 1995 and 1998. This dispute has gone through various court instances, and in the meantime the originally claimed amount has subsequently been reduced to approximately

HUF 50 billion. The outcome of these proceedings will have implications for Erste Bank Hungary, as Deloitte Hungary and Arthur Andersen Kft have each filed an arbitration action against Erste Bank Hungary for possible recourse claims, should they finally be held liable in the main proceedings, arguing that any errors in the financial statements of Postabank were the result of erroneous data provided by Postabank to them. These arbitration proceedings have been stayed to await the outcome of the main proceedings.

### **Consumer protection**

In 2008, the Verein für Konsumentenschutz, an Austrian association for the protection of consumers ("VKI"), initiated legal proceedings by way of an association suit (*Verbandsklage*) pursuant to section 28 Consumer Protection Act against Erste Group Bank. The VKI claims that certain terms and conditions of three series of note issues of Erste Group Bank, in particular a provision relating to the calculation of interest and the unilateral termination right of the issuer contained in the terms and conditions of such notes, violate mandatory legal consumer protection provisions. Erste Group Bank has contested these allegations. Erste Group Bank believes that the VKI views this as a test case, as a large number of Austrian and foreign banks have issued instruments with similar terms and conditions. In June 2009 the court of first instance ruled in favour of the claimant, Erste Group Bank filed an appeal in July 2009.



## **MATERIAL CONTRACTS**

Since 31 December 2008, Erste Group Bank has not entered into material contracts, other than contracts entered into in the ordinary course of business, except for the following agreements:

### **Framework Agreement for Guaranteed Bonds**

On 8 January 2009, Erste Group Bank signed a framework agreement for bond issues with the Republic of Austria and has established a EUR 6 billion debt issuance programme in respect of issues guaranteed by the Republic of Austria. Under this programme, Erste Group Bank has the right to issue bonds with an aggregate volume of EUR 6 billion that will be guaranteed by the Republic of Austria (pursuant to section 1 paragraph 4 of the Interbank Market Support Act; see "The Austrian Banking System - Interbank Market Support Act 2008 - Financial Market Stabilisation Act 2008"). The issuance of the bonds under this programme is subject to certain terms: In particular, the liquidity obtained through the guaranteed bonds is to be used to grant credit to support the economy. The issue proceeds must not be used for any aggressive growth measures, and the Issuer's business strategy - which must continue to be focused on sustainability - shall not be permitted to include terms that are not customary for the market. Furthermore, it must be ensured that the Issuer's remuneration policies do not encourage the taking of any excessive risks. The agreement states that the maturity of any individual bond issue may not exceed five years. The guarantee of the Republic of Austria is explicit, unconditional, irrevocable and unsubordinated, and it warrants due and timely payment. For the state guarantee, Erste Group Bank has agreed to pay 50 basis points plus the median value of its CDS spread (reference period 1 January 2007 to 31 August 2008). Overall, this corresponds to a fee of around 90 basis points. Bonds may be issued under the framework agreement until (and including) 31 December 2009.

### **Agreement for the issue of tier-1 capital with the Republic of Austria**

On 26 February 2009, Erste Group Bank and Erste Bank Oesterreich signed an agreement in principle ("Grundsatzvereinbarung") with the Republic of Austria for the subscription of tier-1 capital according to the Banking Act originally announced in October 2008. This allows for the issue of tier-1 capital by Erste Group in a total amount of up to EUR 2.7 billion. The Grundsatzvereinbarung contains certain covenants and undertakings to the Republic of Austria in connection with the issue of the above-mentioned tier-1 capital and in connection with Erste Group Bank's and Erste Bank Oesterreich's conduct of business, which will be in force for as long as the Republic of Austria holds such tier-1 capital.

## THE AUSTRIAN BANKING SYSTEM

### Overview

Austria's banking system, like that of other continental European countries, comprises a diverse array of financial institutions. The Austrian banking industry is divided into seven "sectors" according to the legal status of a bank and classification in a sector association: (i) Sparkassen (savings banks), (ii) Raiffeisenbanken (agricultural credit co-operatives), (iii) Landes-Hypothekenbanken (provincial mortgage banks), (iv) Volksbanken (trade credit co-operative banks), (v) Aktienbanken und Bankiers (commercial banks), (vi) Sonderbanken (specialist banks) and (vii) Bausparkassen (building societies). Changes in banking practices generally, and in Austrian banking law specifically, have contributed to an erosion of the original distinctions between the sectors. Today, commercial banks, savings banks and co-operative banks all engage in substantially similar business; however, each has its separate deposit insurance system and may have different business policies. Erste Group Bank is a member of the Savings Banks Sector

The structure of Austria's banking system is characterised by a large number of small banks, a smaller number of medium to large banks and the absence of any banks of international scale other than Erste Group Bank, UniCredit Bank Austria AG, which is a subsidiary of Unicredito Italiano S.p.A and the financial holding company Raiffeisen International Bank-Holding AG. In 2008, the Austrian banking system consisted of 867 independent banks with a total of 4,251 branches and estimated total assets of EUR 1,069.3 billion (Source: Website of the Austrian National Bank reviewed on 25 March 2009).

### Savings Banks

Of the seven banking sectors, the Savings Banks Sector is the third largest, accounting for approximately EUR 176.5 billion of total assets (excluding Bank Austria which is legally established as a savings bank) as of 31 December 2008 (Source: Website of the Austrian National Bank reviewed on 2 April 2009: [www.oenb.at](http://www.oenb.at) - "Statistics and Reporting" – "Statistical Data" – "Financial Institutions" – "Banks" – "Banks' Business Structure" – "Banks' Balance Sheets" - "Joint stock banks and private banks, savings banks, state mortgage banks"). The Savings Banks Sector then comprised the independent savings banks (excluding Bank Austria), with Erste Group Bank operating as the central financial institution of the Savings Banks Sector.

Austrian savings banks were historically subject to geographical restrictions on their operations, which contributed to the development of a Savings Banks Sector characterised by a large number of small, local savings banks. Savings banks were established either by a benevolent association (*Verein*), or by a community (*Gemeinde*). The historical role of both the Verein and the Gemeinde with respect to Vereinssparkassen (association savings bank) and Gemeindesparkassen (community savings bank) was to provide the foundation capital for the savings bank and to act in a supervisory capacity. The principal difference between a Gemeindesparkasse and a Vereinssparkasse is that creditors of a Gemeindesparkasse and of its operating savings bank stock corporation have the benefit of a municipal deficiency guarantee and that, to an extent, a Gemeindesparkasse and its operating savings bank stock corporation are influenced by their municipality, whereas a Vereinssparkasse has no such guarantee and is wholly independent of the municipalities.

These deficiency guarantees were abolished by law as follows: Liabilities existing as of 2 April 2003 will continue to be covered until their maturity. Liabilities entered into between 2 April 2003 and 1 April 2007 will be covered if the agreed maturity date is 30 September 2017 at the latest. As the savings banks traditionally did not expressly use this guarantee to reduce their costs of financing, no major impact is expected to result from the revocation of this guarantee. Only 10 smaller savings banks are affected by the revocation of the guarantee.

In 1986, an amendment to the Banking Act 1979 permitted a savings bank to reorganise as a joint-stock company in order to enable transfers of shares or to raise capital. Such reorganisation involved the creation of an Anteilsverwaltungssparkasse (special savings bank holding company) which holds the shares in the relevant operating savings bank stock corporation. In 1993, Erste Group Bank changed its structure accordingly.

Such an Anteilsverwaltungssparkasse may opt to transform into a privately organised foundation. For Gemeindeparkassen the deficiency guarantee then only covers liabilities assumed until the 31 December following the registration of the foundation.

On 19 December 2003, DIE ERSTE österreichische Spar-Casse Anteilsverwaltungssparkasse was transformed into a private law foundation named DIE ERSTE österreichische Spar-Casse Privatstiftung.

## **Regulation and supervision**

The structure of the regulation and supervision of the Austrian banking system is set forth in a number of statutes, including the Austrian Financial Market Supervision Act 2001 (*Finanzmarktaufsichtsgesetz*), the Banking Act (*Bankwesengesetz*), the Austrian National Bank Act 1984 (*Nationalbankgesetz*), the Austrian Savings Bank Act 1979 (*Sparkassengesetz*), the Financial Conglomerates Act (*Finanzkonglomeratengesetz*), the Austrian Mortgage Bank Act 1899 (*Hypothekenbankgesetz*) and the Austrian Securities Supervision 2007 (*Wertpapieraufsichtsgesetz*), each as amended.

The Austrian Financial Market Supervision Act assigns the responsibility for the supervision of credit institutions, insurance companies, financial conglomerates, securities firms and exchanges, investment funds and pension funds to the FMA. Under the Banking Act, regulation and supervision of Austrian credit institutions and the branches of foreign credit institutions in Austria are the responsibility of the FMA assisted by the Oesterreichische Nationalbank (Austrian National Bank, the central bank of Austria), which has the sole competence to make on-site bank audits. The FMA may take a variety of actions under the Banking Act to supervise credit institutions on a comprehensive and consolidated basis. In order to enable the FMA and the Austrian National Bank to fulfil their obligations, credit institutions must, amongst other requirements, prepare monthly interim balance sheets and quarterly profit and loss statements and submit annual audit reports.

The FMA is subject to supervision by the Minister of Finance and is headed by a two-member management board. The management board members are nominated by the Minister of Finance and the Austrian National Bank respectively and are appointed by the Austrian federal president upon proposal by the federal government. A supervisory board consisting of eight members, two of whom have no voting rights, approves the FMA's budget, financial statements, top employees and other important matters. The expenses of the FMA are borne primarily by the supervised credit institutions, companies and funds, whilst the Austrian federal government bears a minor fixed portion thereof.

The FMA is afforded an array of powers to regulate and supervise the Austrian banking system. These powers include the power to require the delivery of certain reports, to inspect credit institutions, to require audits, and to appoint certain officers and advisers to assist in the discharge of regulatory and supervisory duties. The FMA may use the auditors of the Austrian National Bank to perform an audit of a credit institution, including its branches and representative offices outside Austria. Since 1 January 2008, the Austrian National Bank is solely responsible to undertake on-site audits of credit institutions upon instruction by the FMA. Any credit institution operating in Austria that is subject to regulation and supervision by the FMA may be subject to an order by the FMA if there is reason to doubt such credit institution's ability to fulfil its obligations to its customers. By such an order, which may be effective for up to 18 months, the FMA may (i) prohibit withdrawals of capital or profits from the credit institution (in whole or in part), (ii) appoint a government commissioner authorised to prohibit all business which could be prejudicial to the safety of the interests of customers of

the credit institution, (iii) prohibit further management of the credit institutions by such credit institution's existing management board or (iv) prohibit (in whole or part) further business of the credit institution.

### **State commissioners**

The Banking Act requires the Minister of Finance to appoint a state commissioner and a deputy state commissioner to assist in the supervision and regulation of Austrian credit institutions that have a total balance sheet of more than EUR 375 million in total assets (at balance sheet value), of all savings banks and, under certain circumstances, of credit institutions organised as limited liability companies (*GmbH*). The role of the state commissioner is to ensure that these credit institutions do not make decisions at shareholders' and supervisory board meetings which in their view violate federal laws, regulations, other provisions or decisions (*Bescheide*) by the Federal Minister of Finance or the FMA. If a state commissioner objects to any resolution proposed at a shareholders' meeting or a meeting of the supervisory board, then the state commissioner has to notify the FMA immediately. The effectiveness of such resolution is suspended until the FMA makes a determination as to its validity (within one week after application by the credit institution).

Mortgage banks (*Hypothekenbanken*) are subject to inspection by trustees and deputy trustees appointed by the Minister of Finance in accordance with the Mortgage Bank Act 1899. The trustees and the deputy trustees are charged with the responsibility for determining compliance with legal requirements for the registration of certain assets covering obligations of Erste Group Bank under *Pfandbriefe* (Mortgage Bonds) and *Kommunalschuldverschreibungen (Öffentliche Pfandbriefe)* (Public-Sector Covered Bonds). Commissioners appointed by the Minister of Finance are also responsible for monitoring compliance by Erste Group Bank with the legal requirements for segregation of assets and security provided for covered bonds (*fundierte Bankschuldverschreibungen*) pursuant to the Act on Covered Bank Bonds 1905.

### **The Austrian National Bank and the European System of Central Banks**

The Austrian National Bank is the central bank of Austria and is mandated by law to assist the European Central Bank. Whereas the European Central Bank decides on the principal monetary issues of the European Monetary Union, the Austrian National Bank, as a member of the European System of Central Banks, executes the directives and regulations of the European Central Bank. Moreover, it co-operates with the FMA in supervising Austrian credit institutions.

In addition to its functions as the central bank and as an institution within the European System of Central Banks, the Austrian National Bank reviews reports filed by credit institutions. Detailed foreign currency statistics concerning the foreign currency position of all Austrian credit institutions are compiled by the Austrian National Bank and provide it with an indication of the business volume of the large Austrian credit institutions.

### **Minimum reserves**

In accordance with EU Regulations, the European Central Bank prescribes by decree minimum reserves to be maintained by Austrian credit institutions with the Austrian National Bank. These minimum reserve requirements apply to the following liabilities denominated in euro: (i) deposits, and (ii) debt securities. The required reserve ratio amounts to 2.0%. Certain exemptions apply. Failure by a credit institution to meet the minimum reserve requirements exposes the credit institution to fines or interest penalties.

### **Statutory deposit insurance scheme**

Austrian law requires that any credit institution which receives deposits requiring a guarantee under applicable law must join the insurance scheme of its sector within the banking system.

Failure of a credit institution to join the relevant insurance scheme results in the lapse of the credit institution's licence to conduct a business involving the acceptance of deposits requiring a guarantee under applicable law in Austria. Payments made by an insurance scheme to restore insured deposits are met by contributions from each member credit institution in the relevant sector. Each bank's contribution is determined in proportion to the aggregate amount of such credit institution's deposits, subject to a maximum contribution amount equal to 1.5% of the calculation basis pursuant to section 22 paragraph 2 of the Banking Act, plus 12.5 times the own funds requirement for certain positions of the trading book pursuant to section 22o paragraph 2 Nos 1, 3 and 6 of the Banking Act, each as per the most recent balance sheet date.

In the event that the aggregate maximum amount that a sector's members can be called upon to contribute is less than the payment liability under the insurance scheme, each deposit insurance scheme of the other banking sectors will contribute a pro rata portion of the amount then remaining unpaid. The participation of each insurance scheme is to be determined as per the previous paragraph. If the amount contributed by all insurance schemes is insufficient to make the required payment, then the insurance scheme that is primarily obligated to repay such protected deposits must issue bonds to cover any amount then remaining unpaid. The Republic of Austria may accept liability for such bonds.

The insurance scheme currently insures deposits of private individuals up to 100% (which will be reduced to a minimum of EUR 100,000 as of 1 January 2010) and deposits of legal persons up to EUR 20,000 or equivalent, except that deposits of certain SME's are insured at EUR 50,000 or equivalent. Deposits of legal entities are always capped with 90%, subject to such maximum amount and are to a certain extent excluded from the scope of the scheme. Deposits not exceeding EUR 2,000 will be repaid in chronological preference to deposits of a greater amount.

### **Haftungsverbund**

Effective 1 January 2002, the majority of the Austrian savings banks, excluding Bank Austria, formed a common risk management system, early warning system and customer deposit insurance scheme. The customer deposit insurance scheme materially expanded the credit institutions' obligations beyond the legally prescribed amount per depositor. This arrangement, called the Haftungsverbund (literally translated "cross-guarantee system"), ensures enforcement of payments by transferring control of the system to Haftungsverbund GmbH, an entity in which Erste Group Bank is required to hold at least 51% of the shares, and the other savings banks own the remainder. The right to determine risk policies and, in case of serious difficulties of a member, the right to intervene in management was also transferred to Haftungsverbund GmbH. For more details on the Haftungsverbund, see page 157.

### **Financial statements and audits**

Austrian credit institutions, and credit institutions operating in Austria, are required to submit financial statements, including the audit reports thereon, to the FMA and the Austrian National Bank.

Austrian listed companies must prepare consolidated financial statements in accordance with IFRS as adopted by the European Union. Austrian bank accounting standards differ from IFRS mainly in respect of a less use of fair values and less comprehensive tax deferrals.

All financial statements of credit institutions must be audited by a bank auditor, who is either a certified public accountant or the auditing office of one of the specialised auditing institutions of the relevant sector. The consolidated and separate financial statements of Erste Group Bank, as a savings bank stock corporation, have been audited by Sparkassen-Prüfungsverband Prüfungsstelle (the Savings Banks' Auditing Agency) as statutory bank auditor. The 2007 and 2008 audits were performed jointly with Ernst & Young

Wirtschaftsprüfungsgesellschaft m.b.H. which has been elected by the shareholders' meeting of Erste Group Bank in 2006 and 2007 to act as an additional auditor. The financial statements until 2006 were audited by a member firm of Deloitte. The audited financial statements, the contents of which are prescribed by law, must be published in the *Amtsblatt zur Wiener Zeitung* (the Austrian official gazette), the official publication medium in Austria.

Bank auditors are also required to examine the timely and complete compliance with all relevant banking regulations. The result of this audit is attached to the long form audit report as a separate bank supervision audit report.

### **Capital adequacy requirements**

In June 2004, the Basel Committee published the "International Convergence of Capital Measurement and Capital Standards, a Revised Framework" ("Basel II") that aims to align the risk of a bank's loan portfolio more closely with the capital reserves that it is required to set aside against unexpected losses. Basel II is built on three interlocking pillars ("Pillar 1", "Pillar 2" and "Pillar 3"), minimum capital requirements, supervisory review and market discipline. Taking this into account, the European Parliament and the Council have published Directive 2006/48/EC of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions which has been implemented in the Banking Act (entering into force on 1 January 2007) and the Solvability Regulation (*Solvabilitätsverordnung*) published by the FMA on the basis of the Banking Act.

Under such risk-based capital adequacy rules, each credit institution must maintain a ratio (the "Solvency Ratio") of at least 8% of the calculation base for credit risk. The Solvency Ratio is the ratio of Qualifying Capital (as defined and explained below) to risk-adjusted assets and certain off-balance sheet items (as explained below). Additionally, further minimum Qualifying Capital requirements exist for (i) the risk positions of the trading book, (ii) the commodity positions risk and foreign exchange risk for positions outside the trading book, (iii) operational risk, and (iv) if any participations exceeding a certain threshold and potential risks stemming from a violation of the Banking Act as imposed by the FMA.

The Banking Act defines "Qualifying Capital" as consisting principally of (i) paid-in capital, (ii) disclosed reserves, (iii) funds for general bank risks, (iv) supplementary capital (which includes supplementary capital), (v) hidden reserves, (vi) participation capital, (vii) subordinated capital (which includes subordinated capital and short-term subordinated capital), (viii) revaluation reserves, (ix) the commitments of members of co-operative banks to make additional contributions quantified in relation to their shareholdings, (x) short-term subordinated capital and (xi) only for the purpose of supervision on a consolidated basis, hybrid tier-1 capital. Certain losses, certain intangible assets and certain investments in other banks, insurance companies or financial institutions are required to be deducted in computing Qualifying Capital.

"Core Capital", as applied to Erste Group Bank, consists of (i) paid-in capital (which includes *inter alia* share capital and participation capital), (ii) disclosed reserves and (iii) funds for general bank risks, less losses and intangible assets. The Banking Act requires that the aggregate amount of the elements comprising Qualifying Capital, other than those elements which are part of Core Capital, must not exceed the Core Capital. In addition, the sum of subordinated capital may not exceed 50% of the Core Capital. Core Capital reflects the same concept as "tier-1 Capital" and Qualifying Capital other than Core Capital reflects a concept similar to "tier-2 Capital" (as such terms are used in the United Kingdom and the United States capital adequacy rules).

The calculation base for credit risk is the sum of risk-weighted exposure amounts and encompasses assets, certain off-balance sheet items and derivatives, excluding positions of the trading book. The calculation base has to be computed either by use of the standardised approach or the Internal Ratings Based approach (both such approaches as provided for in the Banking Act and the Solvability Regulation issued by the FMA).

Erste Group Bank has been examined by the FMA and the Austrian National Bank and is, following a positive assessment of the Internal Ratings Based approach concerning all portfolios, entitled to determine the calculation base for credit risk as of 1 January 2007 using the Internal Ratings Based approach. The approval by the FMA has no expiry date. The Internal Ratings Based approach may also be used on a consolidated basis for Česká spořitelna and the Austrian members of the credit institute group, save that the branches of Kärntner Sparkasse AG in Italy and several subsidiaries (ecetra Central European e-Finance AG, the capital investment entities and ancillary business entities) remain using the standardised approach. For the other members of the credit institute group, Erste Group Bank has agreed with the FMA on a roll-out plan for implementing the use of the Internal Ratings Based approach.

Capital adequacy rules must be met not only by a credit institution on its own, but also by the credit institution's group, i.e., the credit institution together with all other subsidiary credit institutions, financial institutions, investment firms, ancillary financial services companies and hybrid capital vehicles. Savings banks, that are members of the Haftungsverbund, are included in Erste Group for capital adequacy purposes.

According to the Financial Conglomerates Act (*Finanzkonglomeratengesetz*) of 2004 which is based on the EU Directive and which came into force on 1 January 2005, Erste Group was considered a financial conglomerate. Regarding the capital requirement according to the Financial Conglomerates Act, Erste Group had a surplus regulatory capital of EUR 1,935.5 million as of 31 December 2007. After the sale of the insurance business of Erste Group to WIENER STÄDTISCHE Versicherung AG Vienna Insurance Group, Erste Group ceased to be a financial conglomerate.

By way of a recent amendment of the Banking Act, the FMA received the power to require additional tier-1 capital if a credit institution or a credit institution group has not adequately limited its banking and operational risks and an adequate assessment and mitigation of such risks in short-term by the credit institution or the credit institution group can not be expected.

### **The Austrian Banking Act**

In addition to specifying the capital adequacy rules, the Banking Act, as amended, imposes other requirements and restrictions on Austrian credit institutions, including reporting requirements, liquidity requirements, open foreign currency positions, large exposures and restrictions on participations.

### **Periodical reports**

Austrian credit institutions are required to file a number of reports with the FMA, including periodical monthly and quarterly reports. In addition, reports must also be filed to report any hidden reserves or credit in excess of certain amounts. The form of all reports is established by an implementing ordinance. All reports are delivered to the Austrian National Bank, which reviews them and provides to the FMA an opinion as to whether the regulations on solvency, qualifying capital, liquidity, open foreign currency positions, large exposures and participations have been observed.

### **Liquidity**

The Act requires each credit institution to establish company-specific finance and liquidity planning. The liquidity plan must generally set forth the programme that enables the credit institution to react to possible disparities between incoming and outgoing payments and to changes in market conditions. The terms of claims and obligations of each credit institution must be structured to provide for changing interest rates and maturity trends. In addition to these general regulations, the Banking Act requires credit institutions to retain minimum liquid resources of both first degree and second degree and to submit a detailed calculation plan for the foregoing.

## **Large exposures**

If the assets and off-balance sheet items with regard to a single client or group of connected clients exceed 10% of a credit institution's Qualifying Capital, then a large exposure exists within the meaning of the Banking Act. A large exposure may not exceed 25% of the accountable Qualifying Capital of a credit institution and of the respective credit institution group. Moreover, no large exposure may exceed 20% of the Qualifying Capital if it is made to the parent company or a subsidiary of the parent or the credit institution. A credit institution's aggregate large exposures may not exceed 800% of its accountable Qualifying Capital.

## **Qualified participations**

A qualified participation is a holding by a bank, whether direct or indirect, of at least 10% of the capital or voting rights of a company. The possibility of exercising a significant influence over the management of a company may also cause the company to constitute a qualified participation of the bank. Qualified participations in non-banks (with certain exceptions, in particular insurance companies) may not be held by credit institutions or a group of credit institutions if the value of the qualified participation exceeds 15% of the accountable Qualifying Capital of such credit institutions or group. Moreover, the total carrying value of qualified participations may not exceed 60% of the Qualifying Capital of a credit institution or a group of credit institutions. In certain circumstances, these limitations may be exceeded.

## **Interbank Market Support Act 2008 - Financial Market Stabilisation Act 2008**

Under the Federal Act regarding the strengthening of the Interbank Market (Interbank Market Support Act, the "IBSA") and the Federal Act regarding the stabilisation of the Financial Market (Financial Market Stabilisation Act, the "FinStaG") 2008 the Federal Minister of Finance (the "Finance Minister") has been granted certain powers in relation to Austrian credit institutions (such as Erste Group Bank) and insurance undertakings.

The powers under the IBSA last until 31 December 2009 and allow for the Finance Minister to assume liability for the benefit of a clearing house. The aim is to increase the credit institutions' confidence in the interbank market and hence, to prevent liquidity problems caused by credit institutions retaining surplus liquidity instead of on-lending to other banks. Furthermore, the Finance Minister may assume against consideration liabilities for the benefit of holders of securities with a term of maximum five (5) years to be issued by credit institutions in order to encourage the medium-term refinancing of Austrian credit institutions. The outstanding amounts connected with measures pursuant the IBSA may not exceed EUR 75 billion. Erste Group Bank has consequently established a EUR 6 billion debt issuance programme in relation to issues of notes governed by the Republic of Austria (see above "Material Contracts - Framework Agreement for Guaranteed Bonds").

The FinStaG entitles the Finance Minister to take measures for the recapitalisation of credit institutions and insurance undertakings (the "Relevant Entities") (i) in order to remedy a considerable disruption within Austria's economic life, (ii) to ensure the macroeconomic balance as well as (iii) for the protection of the national economy of Austria. The measures comprise the assumption of liabilities for the benefit of obligations of the Relevant Entities and for the benefit of obligations vis-à-vis the Relevant Entities, the provision of facilities and own funds for Relevant Entities and the acquisition of shares. Furthermore, in the case that a performance of a Relevant Entities' obligations vis-à-vis its creditors is jeopardised, the Finance Minister may as a last remedy acquire shares in such Relevant Entity against consideration. The shares acquired in accordance with the provisions of the FinStaG have to be privatised upon the achievement of the intended purpose upon consideration of the market conditions. The outstanding amounts connected with measures pursuant the FinStaG may not exceed EUR 15 billion.

The Finance Minister is entitled to set forth conditions and requirements for the measures according to the FinStaG. In this context, especially provisions regarding the following



aspects may be imposed: the business focus (in connection with credit institutions, in particular the supply of small and middle size enterprises with loans), the application of received funds, the remuneration of managers, the tier-1 requirements, the dividend policy, measures for safeguarding jobs, the period within which the requirements must be met, measures for the prevention of distortion of competition as well as the legal consequences for the non-compliance with the aforementioned conditions and requirements.

## TAXATION

The statements herein regarding certain tax issues in Austria, the Czech Republic, Germany, Hungary, Luxembourg, Poland, Romania, the Slovak Republic, Slovenia, Italy and Malta, are based on the laws in force in those jurisdictions as of the date of this Prospectus and are subject to any changes in such laws. The following summaries do not purport to be comprehensive descriptions of all the tax considerations which may be relevant to a decision to purchase, own or dispose of Notes and further disclosure may be included in the Final Terms or a supplement to this Prospectus. Prospective holders of Notes should consult their tax advisers as to the relevant tax consequences of the ownership and disposition of Notes.

### Austria

#### Residents

Under Austrian tax law currently in effect, payments of interest on the Notes (as defined in Sec. 27(1)(4) and 27(2)(2) of the Austrian Income Tax Act [*Einkommensteuergesetz*]) in accordance with their terms and conditions to a resident individual or corporation (within the meaning of the relevant Austrian tax laws) will generally be subject to Austrian income tax (at a flat rate of 25% levied by way of withholding or by way of assessment) and Austrian corporate income tax (at a flat rate of 25% levied by way of assessment) respectively.

Capital gains derived from the sale of the Notes by a resident individual or corporation will generally be subject to Austrian income tax (at a progressive rate of up to 50%) or Austrian corporate income tax (at a flat rate of 25%), respectively, with an exemption applying in the case of individuals holding the Notes as a non-business asset and selling/redeeming them after the expiry of a minimum one-year holding period..

Pursuant to the Gift Notification Act 2008 (*Schenkungsmitteilungsgesetz 2008*) the inheritance tax as well as the gift tax have expired as of 1 August 2008. This means that, *inter alia*, transfers of assets both *inter vivos* and *mortis causa* after 31 July 2008 are neither subject to inheritance tax nor to gift tax (except in the case of transfers to certain foundations). Instead of the inheritance and gift tax a notification obligation has been introduced for certain gifts *inter vivos*.

No stamp, issue, registration or similar tax or duty will, under present Austrian law, be payable in Austria by resident Noteholders in connection with the issue of the Notes.

#### Non-residents

Under Austrian tax law currently in effect, payments of interest on the Notes in accordance with their terms and conditions to a non-resident individual or corporation (within the meaning of the relevant Austrian tax laws) having no other connection to Austria except for the mere holding of the Notes are not subject to Austrian taxation of income. If interest payments are made by a paying agent in Austria, a non-resident individual or corporation can - according to the practice of the Austrian tax authorities - prevent the Austrian withholding tax (currently 25%) from being deducted if proof of non-residency is furnished (e.g. by disclosing its identity and non-Austrian address). Such exemption will, however, only be effective if the Notes have been deposited with an Austrian bank.

Pursuant to the Austrian EU Withholding Tax Act (*EU-Quellensteuergesetz*), and bilateral agreements between Austria and certain dependant and associated territories, paying agents in Austria are obliged to levy a withholding tax on interest payments to beneficial owners who are individuals resident for tax purposes in another member state of the EU or in certain dependant or associated territories. The withholding tax to be levied by the paying agent amounts to 15% in the three years beginning on 1 July 2005, 20% in the following three years and 35% thereafter until the end of a transitional period. Currently, the withholding tax rate is 20%. The withholding tax can be avoided if the beneficial owner provides a certificate issued

by his or her local tax office containing certain personal details as well as details relating to the paying agent and the Notes. The certificate is valid for three years.

Capital gains derived from the sale of the Notes by a non-resident individual or corporation having no other relation to Austria except for the mere holding of the Notes are not subject to Austrian income or corporation tax.

Reference is made to the abolition of the inheritance tax and gift tax mentioned above.

No stamp, issue, registration or similar tax or duty will, under present Austrian law, be payable in Austria by non-resident Noteholders in connection with the issue of the Notes.

This summary of Austrian taxation issues is for general information purposes only and is based on a qualification of the Notes as debt instruments (*Forderungswertpapiere*) in the sense of Sec. 93(3) of the Austrian Income Tax Act. The tax consequences would substantially differ if the Notes were to be qualified as equity instruments or as units in a foreign investment fund within the meaning of Sec. 42(1) of the Austrian Investment Funds Act (*Investmentfondsgesetz*). Prospective holders of the Notes are advised to consult their tax and legal advisers with regard to the tax effects of their holding of the Notes.

## **Czech Republic**

### **Residents**

#### **Income tax on interest**

Under the Double Taxation Treaty between Austria and the Czech Republic, interest paid from Austria to a Czech tax resident is taxable in the Czech Republic. However, the Austrian paying agent may, under certain conditions, deduct withholding tax from interest payments under the Notes in Austria if the Council Directive 2003/48/EC on the taxation of savings income (the "EU Savings Directive") is applicable (see 'Austria' above).

Interest paid under the Notes to a Czech resident is subject to income tax in the Czech Republic as follows:

- An individual investor must include the interest received in the overall personal income tax base, which is taxable at a flat rate of 15% in 2009.
- A corporation must include the interest received in its general corporate income tax base, which is taxable at a flat rate of 20% in 2009 and 19% from 2010 onwards.

If withholding tax is deducted on interest in Austria under the EU Savings Directive, the individual Czech tax resident may declare the tax deducted in Austria on the Czech income tax return and claim a credit against the resident's Czech tax liability due on income in respect of which the deduction was made. If the deduction is greater than the tax liability, the resident may claim the amount of the surplus from the Czech tax authority.

#### **Income tax on capital gain from the sale of the Notes**

Under the Double Taxation Treaty between Austria and the Czech Republic, capital gain from the sale of the Notes by a tax resident of the Czech Republic to an Austrian tax resident is taxable in the Czech Republic. Income tax is levied as follows:

- Individual investors holding the Notes as a non-business asset:

The capital gain from the sale of the Notes will be exempt from Czech personal income tax if an individual has held the Notes for an uninterrupted period of more than six months. This time limit only applies to investment securities where a

shareholding comprises a maximum of 5%. Otherwise, the individual must hold the Notes for an uninterrupted period of more than five years to apply the personal income tax exemption. In any event, the exemption applies only if the Notes were not included in the individual's business assets at any point in time prior to their sale.

If the sale of the Notes is not tax-exempt, the capital gain from the sale of the Notes is subject to personal income tax at a flat rate of 15% in 2009. A loss from the sale of the Notes may be offset against gains from the sale of the Notes or other securities in the same fiscal period.

- Individual investors holding the Notes as a business asset:

The capital gain from the sale of the Notes is included in the general income tax base and taxed at a flat rate of 15% in 2009. A loss from the sale of the Notes may be offset against overall taxable income (other than employment income) in the current fiscal period and the following five fiscal periods.

- Corporations:

The capital gain from the sale of the Notes is included in the general income tax base and taxed at a flat rate of 20% in 2009 and 19% from 2009 onwards. A loss from the sale of the Notes may be offset against profit in the current fiscal period and the following five fiscal periods.

### **Inheritance and gift tax**

If acquiring the Notes as a gift or as inheritance, resident (exceptionally also non-resident) individuals and corporations are liable to pay the Czech gift tax or inheritance tax. The Czech gift tax rate ranges from 1% to 40% and the Czech inheritance tax rate ranges from 0.5% to 20%. Both tax rates depend on the value of the assets transferred and on the relationship between the deceased/the donor on the one hand and the heir/the donee on the other. A tax exemption may be applied in specific cases, such as succession by direct relatives and spouses.

### **Purchase of the Notes from a non-EU resident**

A Czech resident who purchases the Notes from a resident outside the European Economic Area is obliged to withhold and pay to the Czech tax authorities a tax security advance at a rate of 1% of the purchase price for the Notes. The seller may report the capital gain and recover the withholding tax if the applicable double taxation treaty provides for an exemption. If no double taxation treaty is applicable, the seller should file a Czech corporate/personal income tax return, in which the withheld tax security advance is deducted from the final tax liability assessed at regular tax rates. If no tax return is filed, the tax security advance withheld will be treated as the final tax.

If the Notes are attributed to the permanent establishment of a non-Czech tax resident, a different tax regime applies. In general, the gain is taxed as regular business profit of the permanent establishment in the Czech Republic.

### **Other taxes**

No other taxes are levied in the Czech Republic on the acquisition, sale or other disposal of the Notes.

### **Implementation of the EU Savings Directive**

The Czech Republic has implemented the EU Savings Directive. Therefore, if the payments qualify as interest or other similar income under the EU Savings Directive, a Czech paying

agent will collect certain specified details in respect of the payments of interest and other similar income mediated by the Czech paying agent to an individual in another EU Member State and the Czech Republic will provide the information to the tax authorities in other EU Member States. The same regime applies also in respect of certain non-EU countries and independent territories, such as Switzerland, San Marino, Monaco, Andorra and Lichtenstein.

## **Germany**

### **General**

The Business Tax Reform Act 2008 (*Unternehmensteuerreformgesetz 2008*) introduced, inter alia, the so-called flat withholding tax (*Abgeltungsteuer*), a new taxation regime for investment income. The flat withholding tax regime took effect on 1 January 2009 and changed the taxation of investment income for private investors significantly but also provides for certain modifications regarding the taxation of business investors. The new flat withholding tax applies to both current investment income like e.g. the interest payments under the Notes and capital gains from the sale, assignment or redemption of the Notes.

### **Tax Residents**

#### ***Private Investors***

##### *Interest and Capital Gains*

Interest payable on the Notes, including interest having accrued up to the disposition of a Note and credited separately ("Accrued Interest"), if any, to persons who are tax residents of Germany (i.e. persons whose residence or habitual abode is located in Germany) are subject to the flat withholding tax at a rate of 25 per cent. (plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax) according to Sec. 20 para. 1 German Income Tax Act (*Einkommensteuergesetz*). Capital gains from the sale, assignment or redemption of the Notes qualify – irrespective of any holding period – as investment income pursuant to Sec. 20 para. 2 German Income Tax Act as well and are subject to the flat withholding tax.

Capital gains are determined by taking the difference between the sale, assignment or redemption price (after the deduction of expenses incurred directly in connection with the sale, assignment or redemption) and the acquisition price of the Notes. Where the Notes are issued in a currency other than Euro the sale, assignment or redemption price and the acquisition costs have to be converted into Euro on the basis of the foreign exchange rates prevailing on the acquisition date and the sale, assignment or redemption date respectively.

Expenses (other than such expenses directly incurred in connection with the sale, assignment or redemption) related to interest payments or capital gains under the Notes are – except for a standard lump sum (*Sparer-Pauschbetrag*) of 801 Euro (1.602 Euro for married couples) – not deductible.

According to the flat withholding tax regime losses from the sale, assignment or redemption of the Notes 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 realized, such losses can be carried forward into future assessment periods only and can be set-off against investment income including capital gains generated in these future assessment periods.

In the event the Noteholder receives at the maturity date a physical delivery of the underlying securities rather than a payment in cash the exchange of the Note is notwithstanding the foregoing treated as tax neutral. This applies irrespective of whether the fair market value of the underlying securities is in excess or below the acquisition price of the Note at the delivery date. In case of such a delivery the acquisition price of the Note is considered to be the sales price of the Note at the exchange date and at the same time the acquisition costs of the delivered underlying securities according to Sec. 20 para. 4a sentence 3 German Income Tax

Act. Any capital gain realized in case of a subsequent sale, assignment or redemption of the underlying securities according to Sec. 20 German Income Tax Act is subject to the flat withholding tax. Any losses realized in case of a subsequent sale, assignment or redemption of the underlying securities can be set-off against other investment income including capital gains, except losses from a sale, assignment or redemption of shares, which can only be set-off against capital gains from the sale, assignment or redemption of other shares.

#### *Withholding*

If the Notes are held in a custody with or administered 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 withholding 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 upon the sale, assignment or redemption of the Notes. The flat withholding tax is imposed on the interest payments and the excess of the proceeds from the sale, assignment or redemption (after the deduction of expenses incurred directly in connection with the sale, assignment or redemption) over the acquisitions costs for the Notes (if applicable converted into Euro terms on the basis of the foreign exchange rates as of the acquisition date and the sale, assignment or redemption date respectively), if the Notes were held in custody by the Disbursing Agent since their acquisition. The Disbursing Agent will provide for the set-off of losses with current investment income and capital gains from other securities. 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, the 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 Notes.

If the Notes are not kept in a custodial account with a Disbursing Agent, the flat withholding tax will apply on interest paid by a Disbursing Agent upon presentation of a coupon (whether or not presented with the Note to which it appertains) to a holder of such coupon (other than a non-German bank or financial services institution) (*Tafelgeschäft*). In this case proceeds from the sale, assignment or redemption of the Notes will also be subject to the flat tax.

In general, no flat withholding tax will be levied if the holder of a Note filed a withholding exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent (in the maximum amount of the standard lump sum of 801 Euro (1.602 Euro for married couples)) to the extent the income does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, no flat withholding tax will be deducted if the Noteholder has submitted to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the competent tax office.

For private investors the withheld flat withholding tax is, in general, definitive. Private investors having a lower personal income tax rate may, upon application, include the capital investment income in their personal income tax return to achieve a lower tax rate. Investment income not subject to the withholding flat withholding tax (e.g. since there is no Disbursing Agent) must be included into the personal income tax return and will be subject to the flat withholding tax rate of 25 per cent. (plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax), unless the investor does not have a lower personal income tax rate and does not apply for such lower tax rate.

#### *Application of the tax provisions of the German Investment Tax Act*

The application of the German Investment Tax Act (*Investmentsteuergesetz*) requires the holding of an interest in an investment fund (*Investmentanteile*). According to a tax decree of the German tax administration dated 2 June 2005 (BMF, IV C 1 – S 1980 - 1 - 87/05) concerning the application the German Investment Tax Act in case of foreign investment funds, an interest requires that between the holder and the legal entity owning the foreign fund assets a direct legal relationship exists which, however, has not to be a membership-like

relationship. According to the tax decree a security being issued by a third party and only reflecting the economic results of a foreign investment fund or several foreign investment funds (e.g. a Note) will not be regarded as a unit in a foreign investment fund. In certain cases, e.g. if a security provides for a physical delivery of interests in funds, the Investment Tax Act may apply, in which case investors may be subject to tax with fictitious profits. Furthermore, following the physical delivery of interests in entities which qualify as foreign investment funds the holder of such instruments would be subject to the provisions of the Investment Tax Act as well.

Due to an amendment to the German Investment Act as per 29 December 2007, which is relevant for the German Investment Tax Act as well, the definition "foreign investment fund interest" has been amended and is now basically confined to redeemable interests (i.e. the holder of the interest may demand the redemption of the interest against a pro rata share of the fund) of open-ended investment funds or closed-end funds, provided the latter are subjected to the supervision of a financial supervisory authority for collective investments. With respect to index or fund linked notes the circular no. 14/2008 concerning the scope of application of the German Investment Act (*Investmentgesetz*) issued by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin*) dated 22 December 2008 (BaFin, WA 41–Wp 2136–2008/0001) basically confirms the view taken in the preceding paragraph and the draft of the tax decree with respect to the application of the German Investment Tax Act dated 13 May 2009 follows this approach in its revised version as well.

### **Business Investors**

Interest payable on the Notes and capital gains or losses from the sale, assignment or redemption of the Notes are subject to corporation tax or income tax, as the case may be, (each plus solidarity surcharge thereon) in the hands of a business investor at the investor's personal tax rate and have also to be considered for trade tax purposes.

Withholding tax, if any, including solidarity surcharge is credited as prepayments against the investors's 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 no withholding deduction will apply on the gains from the sale, assignment or redemption of the Notes if (i) the Notes are held by a corporation in terms of Sec. 43 para. 2 sentence 3 no. 1 German Income Tax Act or (ii) the proceeds from the Notes qualify as income of a domestic business and the investor notifies this to the Disbursing Agent by use of the officially required form according to Sec. 43 para. 2 sentence 3 no. 2 German Income Tax Act.

### **Non-residents**

Interest payable on the Notes, including Accrued Interest, if any, and capital gains are not subject to German taxation, unless (i) the Notes 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 Notes; or (ii) the interest income otherwise constitutes German-source income. In the latter case 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 Notes are held in custody with a Disbursing Agent. However, where the interest is subject to German taxation as set forth in the preceding paragraph and the Notes are held in a custodial account with a Disbursing Agent, withholding tax is levied as explained above under "Tax Residents". If the Notes are not kept in a custodial account with a Disbursing Agent and interest or proceeds from the sale, assignment or redemption of the Notes are paid by the Issuer or 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*) flat withholding tax will also generally apply. The flat withholding tax may be refunded based upon an assessment to tax or under an applicable tax treaty.

### **Inheritance and Gift Tax**

No inheritance or gift taxes with respect to any Note 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 Note is 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.

### **Other Taxes**

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery, execution or conversion of the Notes. Currently, net assets tax is not levied in Germany.

### **Implementation the EU Savings Directive**

Germany has implemented the EU Savings Directive into national legislation by means of an Interest Information Regulation (*Zinsinformationsverordnung, ZIV*) in 2004. Starting on 1 July 2005, Germany has therefore begun to communicate all payments of interest on the Notes and interest-alike income to the beneficial owners Member State of residence if the instruments have been kept in a custodial account with a Disbursing Agent.

## **Hungary**

### **General**

The purpose of the following description is to provide a high-level overview of the relevant Hungarian tax rules based on the laws in force in Hungary as of the date of this Prospectus. The present description does not include a comprehensive analysis of all tax implications that might be relevant to an investment decision. Please note that this disclosure does not substitute for the consultation between the prospective investors and their professional advisers since in order to determine the tax implication of a particular transaction several circumstances should be examined and considered in details.

Significant changes were introduced in the Hungarian tax laws as of 1 July 2009, and further amendments will enter into force on 1 January 2010. Those future changes have been indicated in the description below, if necessary.

### **Income tax on interest**

#### **Residents**

Resident individuals are taxed on their worldwide income, including interest incomes. At the same, it may occur that the source country of the interest income imposes withholding tax on the income. In order to reduce the double taxation the Hungarian legislation provides a credit for the foreign tax, while in case of applicable double tax treaties, the relevant treaty's rules would apply.

#### **Private individuals**

Interest income of a Hungarian resident private individual will be taxed at 20 percent in Hungary. In case the interest income is provided through a Hungarian 'payer', such payer should withheld the above personal income tax. Otherwise the tax should be assessed and paid to the tax authority by the private individual himself.



If the interest income is received from another country than Hungary, the rules of the relevant double tax treaty will apply. In the absence of a double tax treaty the Hungarian tax burden will be reduced by the tax paid abroad. However, the maximum amount of the credit will be subject to certain limitations and the Hungarian tax should be at least 5 percent of the income.

As of 1 January 2010, there is an increased tax burden for payments distributed by 'controlled foreign taxpayers'. In the under present circumstances unlikely situation if the payer of the interest would qualify as a controlled foreign taxpayer, the recipients tax burden could go up as high as 32 percent personal income tax and 27 percent wealth tax (EHO).

### ***Corporations***

Interest income of a Hungarian resident is subject to Hungarian corporate income tax at 16 percent and solidarity tax at 4 percent. (Please note that for the first HUF 50 million, approx. EUR 179.000 could be taxed at 10 percent if certain conditions are met.)

As of 1 January 2010, the rate of corporate income tax will be increased to 19 percent, while the 4 percent solidarity tax will be abolished.

If any interest income is also subject to tax abroad, the rules of the relevant double tax treaty will apply. In the absence of a double tax treaty, the domestic Hungarian rules will provide a credit opportunity, as a result of which the tax paid abroad could be credited for Hungarian corporation tax purposes. However, the maximum amount of the foreign tax, which can be credited, is subject to certain limitations.

### ***Non-residents***

#### ***Private individuals***

Interest income of a non-resident private individual generally is not subject to Hungarian personal income tax. Please note, however, that in case the interest is payable via a Hungarian place of business (permanent establishment), branch or commercial representation of the obligor, or if the interest payable is in fact tied to the non-resident private individual's Hungarian place of business, the interest income should be regarded as Hungarian source income and thus should be taxed in Hungary. In such case the Hungarian source income will be taxed at 20 percent. This tax rate is usually overruled and limited by double tax treaties (if applicable). If a Hungarian 'payer' provides the interest payment towards the private individual, it should deduct the tax, otherwise the private individual himself should assess and pay the tax.

As of 1 January 2010, withholding tax at 30 percent shall apply to interest incomes paid to private individuals resident in a country with which Hungary has no double tax treaty in place. Tax exemption may apply in case of interest provided by credit institution, however, the interpretation of this new regulation is not clear yet.

### ***Corporations***

Interest income of a non-resident corporation should be taxable in Hungary only if it relates to the corporation's Hungarian business activity carried on through its Hungarian permanent establishment. The applicable tax rate is 16 percent (corporate income tax) and 4 percent (solidarity tax), however, double tax treaties usually limit or eliminate this tax burden.

As of 1 January 2010, the corporate income tax rate will be increased to 19 percent, while the 4 percent solidarity tax will be abolished.

As of 1 January 2010, withholding tax at 30 percent shall apply to interest incomes paid to corporations resident in a country that has no double tax treaty in place with Hungary. If there is an applicable double taxation treaty, then the rules of the treaty will prevail.

## **Income tax on capital gains**

### **Residents**

#### ***Private individuals***

As a general rule, capital gains achieved when debt securities are redeemed or transferred will be treated as interest income for personal income tax purposes unless certain conditions are met (please see our comments regarding the taxation of interest income).

Capital gains derived from the sale of the Notes by a resident private individual are subject to personal income tax at 25 percent and wealth tax at 14 percent (capped at HUF 450.000 per annum, approx. EUR 1.600). The tax should be withheld by the payer or self-assessed and paid by the private individual himself. If the capital gain income is received from another country than Hungary, the rules of the relevant double tax treaty will apply. In the absence of a double tax treaty the Hungarian tax burden will be reduced by the tax paid abroad. However, the Hungarian tax should be at least 5 percent of the income.

As of 1 January 2010, there is an increased tax burden for capital gains realised on the purchase and sale of securities issued by 'controlled foreign taxpayers'. In the unlikely situation if the issuer of the Notes would qualify as a controlled foreign taxpayer, the recipients tax burden could go up as high as 32 percent personal income tax and 27 percent wealth tax (in Hungarian: EHO).

#### ***Corporations***

Capital gains of a Hungarian resident corporation are part of the normal tax base. In consequence it will be taxed at 16 percent corporate income tax and 4 percent solidarity tax. (Please note that for the first HUF 50 million, approx. EUR 179.000 could be taxed at 10 percent if certain conditions are met.) If any capital gain income is also subject to tax abroad then the rules of the relevant double tax treaty will apply. In the absence of a double tax treaty, the domestic Hungarian rules will provide a credit for the tax paid abroad. However, the maximum amount of the foreign tax, which can be credited is subject to certain limitations.

As of 1 January 2010, the flat rate of corporate income tax will be increased to 19 percent, while the 4 percent solidarity tax will be abolished.

There is a special tax regime for capital gains realized at a regulated stock exchange as defined in Act on Capital Markets. 50 percent of such capital gains may be exempt from corporate income tax, if certain conditions are met. As of 1 January 2010, this tax-allowance will be terminated.

### **Non-residents**

#### ***Private individuals***

Capital gains realized by non-resident private individuals are not subject to Hungarian personal income tax.

#### ***Corporations***

Capital gain of a non-resident corporation should be taxable in Hungary only if it relates to the corporation's Hungarian business activity carried on through its Hungarian permanent establishment. The applicable tax rate is 16 percent (corporate income tax) and 4 percent (solidarity tax), however double tax treaties of Hungary usually allocate the taxation right to the residence state. In the absence of an applicable double tax treaty the Hungarian rules allow the corporation to decrease its Hungarian tax by a determined part of the corporate income tax paid (payable) abroad in relation to the capital gains.

Please note that as of 1 January 2010, the flat rate of corporate income tax will be increased to 19 percent, while the 4 percent solidarity tax will be abolished.

### **Inheritance and gift tax**

The acquisition of the Notes as part of a Hungarian inheritance should be subject to Hungarian inheritance tax regardless of the successor's residency. In case of non-Hungarian inheritance the acquisition of the Notes should be subject to inheritance tax only if the successor (private individual or corporation) is resident in Hungary. However, even in such case, no inheritance tax should be paid if the successor certifies that inheritance tax was due in the country of inheritance. The rates of the inheritance tax ranges from 11 percent to 40 percent depending on the value of the assets inherited and the relationship between the decedent and the successor. If certain conditions are met exemption from the inheritance tax may be applicable.

Donation of the Notes should be subject to gift tax if the donation takes place in the territory of Hungary, regardless of the residency of the parties. The rates of gift tax ranges from 11 percent to 40 percent depending on the value of the assets transferred and the relationship between the parties. Reduced rate is applicable in the case of close relatives or gifts between parent company and its 100% subsidiary or between two sister companies which are wholly-owned direct subsidiaries of a common parent company. If the value of the transferred assets do not exceed the amount of HUF 150.000 and the parties do not conclude a written contract regarding the donation, no gift tax has to be paid.

### **Implementation of the EU Savings Directive**

Hungary implemented the EU Savings Directive. Therefore, Hungarian authorities will provide the other Member States' tax authorities with the details of payments of interest and other similar income by a Hungarian paying agent to an individual in another Member State.

## **Luxembourg**

### **General**

The following information is of a general nature only and is based on the laws in force in Luxembourg as of the date of this Prospectus. It does not purport to be a comprehensive description of all tax implications that might be relevant to an investment decision. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Notes should consult their professional advisers with respect to particular circumstances, the effects of state, local or foreign laws to which they may be subject and as to their tax position.

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 tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds de chômage*), as well as personal income tax (*impôt sur le revenu*) generally. Investors 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 invariably apply to most corporate taxpayers resident in 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.

## **Withholding taxation of the holders of Notes**

### **Non-residents**

Under the Luxembourg tax laws currently in force and subject to the application of the Luxembourg laws dated 21 June 2005 ("Laws") implementing the EU Savings Directive and ratifying several agreements concluded between Luxembourg and certain dependant and associated territories of European Union Member States, there is no withholding tax on payments of interest (including accrued but unpaid interest) made to a Luxembourg non-resident Noteholder. There is also no Luxembourg withholding tax, upon repayment of the principal, or subject to the application of the Laws, upon redemption or exchange of the Notes. Under the Laws, a Luxembourg based paying agent (within the meaning of the EU Savings Directive) is required since 1 July 2005, to withhold tax on interest and other similar income (including reimbursement premium received at maturity) paid by it to (or under certain circumstances, for the benefit of) an individual or a residual entity ("Residual Entity") in the sense of article 4.2. of the EU Savings Directive (i.e. an entity without legal personality and whose profits are not taxed under the general arrangements for the business taxation and that is not, or has not opted to be considered as, a UCITS recognised in accordance with the UCITS Directive, resident or established in another Member State of the European Union, unless the beneficiary of the interest payments elects for an exchange of information. The same regime applies to payments to individuals or Residual Entities resident or established in any of the following territories: Aruba, British Virgin Islands, Guernsey, Isle of Man, Jersey, Montserrat and the Netherlands Antilles.

The withholding tax is initially 15%, increasing steadily to 20% as of 1 July 2008 and after a three-year period to 35%. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Laws would at present be subject to withholding tax of 20%. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain other countries.

### **Residents**

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005 (the Law) mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident Noteholders, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident Noteholders.

Under the Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 10%.

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. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law would be subject to withholding tax of 10%.

On 15 September 2008 the European Commission issued a report to the Council of the European Union on the operation of the EU Savings Directive, which included the Commission's advice on the need for changes to the EU Savings Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the EU Savings Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of the proposed changes are made in relation to the EU Savings Directive, they may amend or broaden the scope of the requirements described above

## **Poland**

### **Polish Residents**

#### ***Taxation of private property***

Current interest on the Notes and discount in their full amount are counted as taxable income. The term "interest" is identical to that used in the Double Tax Treaties meaning income from debt claims of every kind.

The interest on the Notes paid by the Issuer to a Polish tax resident and the discount will be taxed with due regard to the Double Taxation Treaty between Poland and Austria, according to which the Issuer has to withhold from such payments to Polish residents Austrian income tax in the amount of 5% of the amounts paid. Pursuant to No. 8 of the Terms and Conditions of the Notes, however, the Issuer undertakes in the case of the withholding or deduction of taxes, charges or duties of any kind whatsoever to pay a respective compensation so that the creditors of Notes are put in a position as if they had received interest and other payments without deduction of withholding tax. Consequently, the proceeds from Austria may accrue in their full amount since the Austrian withholding tax will be reimbursed by the Issuer (gross-up). However, No. 8 of the Terms and Conditions of the Notes provides for exceptions to this rule, e.g. regarding payments pursuant to EU Savings Directive.

The interest on the Notes and the discount derived from Austria are subject to income tax in Poland upon receipt. The income tax rate amounts to 19% of the gross amount. The income tax withheld by the Issuer in Austria can be credited against Polish income tax in Poland. However, such deduction shall not exceed that part of Polish income tax, computed before the deduction, which is attributable to income taxed in Austria. Income-related costs cannot be deducted.

Noteholders are obliged to declare income from Notes in their annual tax return. This rule applies even if such income is collected through a Polish paying agent. However, please note that this issue could be controversial, as some tax authorities took the approach that Polish paying agents are obliged to act as tax remitters in such cases. Capital gains (i.e. the difference between the sales prices and the acquisition cost of the Notes) derived from the sale of the Notes by a Polish tax resident prior to their maturity are subject to Polish income tax in the amount of 19%. Income-related costs can be deducted. Capital gains will accrue at the date of sale with the income tax being specified in the annual tax return. The annual tax return shall be filed for the previous year until 30 April of the following year.

The amounts denominated in foreign currency will be converted pursuant to Art. 11 (3) and Art 17 (4) Personal Income Tax Law (Poland). The income accrued shall be set forth in the annual income tax return of the resident. The annual tax return shall be filed for the previous year by 30 April of the following year.

Furthermore, individuals who have their habitual residence in Poland or Polish citizenship are subject to Polish inheritance and gift tax in the case of an acquisition of Notes *inter mortuos* or *inter vivos*, the rate of such tax depending upon the value of the Notes transferred and upon the relationship between the deceased/the donor on the one hand and the heir/the donee on the other hand. Certain exemptions and thresholds exist, e.g. with regard to transfers between relatives provided that certain conditions are met. The tax payer is the heir/the donee. The tax rate can be up to 20%.

The possible double taxation regarding the inheritance tax in Poland and Austria could be avoided pursuant to the Polish-Austrian Convention from 24 November 1926 with respect to Inheritance Tax.

### ***Taxation of business activity***

In the event that a Polish resident maintains a permanent establishment subject to income tax in Austria, to which the Notes are attributable economically, then the tax treatment of interest and discount shall be governed by Austrian taxation law (see "Austria" above). The interest of the permanent establishment and the discount taxed in such manner in Austria will not be liable to income tax in Poland, however, they will be subject to the Polish "exemption from progression" rule.

In the event that the Notes are attributable to the Polish business activity of a Polish tax resident, they will be subject to taxation in Poland taking into account the Double Taxation Treaty between Poland and Austria. Accordingly the Issuer withholds Austrian income tax in the amount of 5% of the interest payment. Reference is made to compensation payments pursuant to No. 8 of the Terms and Conditions of the Notes. The interest received and the discount will be subject to permanent taxation. The Austrian income tax can be credited in Poland against the Polish income tax. However, such deduction shall not exceed that part of Polish income tax, computed before the deduction, which is attributable to income taxed in Austria.

Profits from the sale of Notes as a business activity prior to their final maturity shall be subject to permanent income tax as of the date of such sale. In case of the determination of capital gains resulting from the sale of Notes as a business activity the acquisition costs of the Notes constitute tax deductible costs only as of the date of the sale. The capital gains realised like the interest received and the discount shall be specified in the current preliminary corporation income tax calculation as well as in the annual corporation income tax or annual personal income tax returns. The corporation income tax rate amounts to 19% while the income tax rate for businessmen and freelancers can be (depending on the choice of the entrepreneur) a 19% flat rate or can range as a progressive tax scale between 18% and 32% in the individual case. In this case the capital gains are taxed exclusively in Poland as the state of residence of the seller (Art. 13 Double Taxation Treaty Poland-Austria).

The loss incurred as a result of sale of Notes in a given tax year may be used to reduce the amount of income from the sale of Notes gained in the next five years, provided that the amount of such reduction during any of such five years does not exceed 50% of the loss. Where Notes are issued in a currency other than PLN all income and costs will be converted for tax purposes into PLN pursuant to Art. 12 (2), Art. 15 (1) Corporation Income Tax Law or Art. 14 (1a), Art. 22 (1) Personal Income Tax Law. If the exchange rates differ between the date of the sale and the date of the purchase price receipt, they shall be adjusted pursuant to Art. 15a Corporation Income Tax Law or Art. 24c Personal Income Tax Law.

### ***Legal Transaction Tax in Poland***

Pursuant to Art. 9 No. 9 of the Polish Legal Transaction Tax Law (*ustawa o podatku od czynności cywilnoprawnych*) the sale of securities to agencies maintaining securities accounts as well as the sale of securities by means of agencies maintaining securities accounts is exempt from legal transaction tax. Furthermore, the sale of Notes is not taxable if this legal transaction is subject to value added tax. If value added tax accrues, the sale shall be exempt from this transfer tax.

The sale of securities (i) without the participation of agencies maintaining securities accounts and (ii) in case of the non-taxability on value added tax shall be subject to legal transaction tax in the amount of 1%. The basis of assessment shall be the current fair market value of the Notes sold. Only the purchaser is liable to pay transfer taxes on the sale of Notes provided the purchaser is resident in Poland and the legal transaction is carried out in Poland. The tax shall become due and payable within 14 days after conclusion of the sale agreement.

## **Polish Non-Residents**

Payments of interest on the Notes and the discount in accordance with their terms and conditions to a non-resident individual or corporation having no other connection to Poland are not subject to Polish taxation of income.

Even if such income is collected through a Polish paying agent, no Polish withholding tax on interest or on the discount should be due. However, please note that this issue could be controversial, as some tax authorities took the approach that Polish paying agents are obliged to act as tax remitters in such cases. If this interpretation is accepted there will be an obligation to provide the Polish paying agent with a certificate of fiscal residence issued by the tax office relevant for the foreign Noteholder. Such certificate allows to follow the respective double taxation treaties entered into by Poland.

Capital gains from sale of Notes by Polish tax non-residents from countries which have concluded a double tax treaty with Poland are taxed in general exclusively abroad in the state of residence of the seller.

According to the standpoint of the Ministry of Finance Polish non-residents from countries which have not concluded a double tax treaty with Poland may be obliged to pay Polish income tax on capital gains derived from Notes sold at the Polish stock exchange.

In the event that a Polish non-resident maintains a permanent establishment in Poland subject to income tax in Poland, to which the Notes are attributed economically, then the tax treatment of interest on the Notes and discount shall be governed by Polish taxation law (see above).

## **Romania**

### **General**

Romanian tax law and procedures are not well developed and at times are unclear, and local tax inspectors have considerable autonomy and may often interpret tax rules inconsistently. Both the substantive provisions of Romanian tax law and the interpretation and application of those provisions by the Romanian tax and financial authorities may be subject to more rapid and unpredictable change than in jurisdictions with more developed capital markets.

The following information is based on the Romanian legislation in force as of June 2009 and may be subject to any changes, based on the changes to be brought in the Romanian laws. The current Romanian tax law does not provide for specific tax treatment applicable to each type of Notes intended to be issued by Issuer. Therefore, the information below are of a general nature, applicable to interest income and capital gains which may be realised by Romanian tax resident investors upon investment in the Notes and are not intended as an exhaustive list of all the Romanian tax implications which could arise in relation with each type of Notes and which could be relevant to a decision to purchase, own or dispose of any of the Notes. Prospective investors in the Notes should consult their professional advisers with respect to particular circumstances, the effects of state, local or foreign laws to which they may be subject and as to their tax position.

Please be aware that Romanian tax law does not specifically define capital gains for taxation purposes. Under Law 571/2003 as amended and the related Norms for Application approved by Government Decision 44/2004 as amended ("domestic law" or the "Fiscal Code"), capital gains realised by legal entities are subject to corporate income tax, while capital gains realised by individuals are taxed as investment income.

## **Romanian tax residents**

Please note that the Fiscal Code does not distinguish between coupons and discount Notes, and it does not specifically qualify the income such derived as interest or capital gains. Therefore the information below relates to the taxation of both types of income under the current domestic law and applicable double tax treaties.

### ***Taxation of Interest***

Under the current Fiscal Code, interest is defined as "any amount that is required to be paid or received for the use of money, regardless whether required to be paid or received within a debt liability, in connection with a deposit, or under a finance lease agreement, instalment sale or other deferred payment sale".

Under the domestic law, interest obtained from Austria by a Romanian resident legal entity investing in the Notes is subject to corporate income tax at the standard rate of 16%, applicable on its worldwide income. In case any withholding tax is retained in Austria on such interest, a tax credit may be available to the Romanian legal entity, within the limit established by applying the Romanian corporate income tax rate (i.e., 16%) to the taxable income obtained from Austria.

Specified Romanian tax resident individuals (e.g. Romanian citizens with their domicile in Romania, non-residents fulfilling certain residency criteria for 3 consecutive years, based on the Fiscal Code) are subject to 16% income tax on their worldwide income, including interest income obtained from abroad. Please note that the domestic law provides for certain non-taxable income for resident individuals, for instance with regard to interest on current accounts or on-sight deposits, interest on treasury bills or municipal bonds, etc., however likely not applicable to the Notes under discussion. Moreover, starting January 2009, interest income from term deposits and/or saving instruments is also deemed non-taxable income for individual tax purposes. Savings instruments however are not defined.

Under the Norms to the Fiscal Code, for individual tax purposes, interest income is considered to be the income obtained from bonds, term deposits, including deposit certificates, interest on loans granted, as well as other income from receivable titles. However, if any withholding tax is retained in Austria on such interest, a tax credit may be available to the Romanian tax resident individual, within the limit assessed by applying the domestic income tax rate (i.e., 16%) to the interest income obtained from abroad.

However, if the interest income on the Notes were subject to the EU Savings Directive, the Austrian paying agent would likely retain withholding tax (i.e., at the rate of 20% starting 1 July 2008 and 35% starting 1 July 2011) from the interest payments made to the Romanian tax resident individual qualifying as the beneficial owner of such interest income and Romania shall reimburse to the Romanian tax resident individual such withholding tax. .

Regardless of the above, if Romania (the country of tax residency of the interest income beneficiary) has concluded a double tax treaty with the country of tax residency of the income payer (e.g. Austria), the provisions of the treaty take precedence over the domestic law, if more favourable. Thus, the current double tax treaty between Romania and Austria may apply with regard to interest income obtained by Romanian tax residents (legal entities or individuals), as described below.

Under the current double tax treaty between Romania and Austria, concluded on 30 March 2005 (the "Romanian Double Tax Treaty") interest income is subject to tax under article 11 of the Romanian Double Tax Treaty, namely taxed at 3% if the Romanian recipient is the beneficial owner of such interest. Nevertheless, under the same article, interest paid in respect of a loan granted by a bank or any financial institution shall be taxed only in the country of tax residency of the beneficial owner, i.e. in Romania. The above withholding tax implications in Austria would be different if the Romanian beneficial owner of the interest



carries on business in Austria through a permanent establishment, respectively, if it performs independent personal services from a fixed base situated in Austria and the interest paid is effectively connected with such permanent establishment or fixed base. In such case, the Austrian domestic law would apply to such income at the level of the permanent establishment / fixed base.

### ***Taxation of Capital Gains / Investment Income***

Please note that capital gains are not defined as such by the Fiscal Code and the Romanian tax authorities have not expressed an official position on this matter. Hence, there is no clear indication of the types of income arising for an investor in the Notes which would be subject to capital gains tax in Romania.

Under the current domestic tax law, capital gains obtained from Austria by a Romanian resident legal entity are subject to corporate income tax at the standard rate of 16% (which applies on the worldwide income of the Romanian legal entity), since there is no separate capital gains taxation concept in Romania. In case any tax is retained in Austria on such gains, a tax credit may be available to the Romanian legal entity, within the limit established by applying the Romanian corporate income tax rate (i.e., 16%) to the taxable income obtained from Austria.

As regards Romanian tax resident individuals, under the domestic law, income from transfer of securities is taxable. Under the definition of "securities" (*Rom. "titluri de valoare"*) as per the Fiscal Code corroborated with the Romanian capital markets legislation (namely Law 297/2004 as amended and currently in force), bonds and other receivable titles, including treasury bonds with maturity of over one year, traded on the capital markets, are included in the category of "securities" and thus taxable in Romania as per the rules applicable to such securities. Thus, capital gains from alienation of securities by Romanian tax resident individuals are subject to income tax in Romania. However, gains realised by individuals between 1 January and 31 December 2009 from the transfer of listed securities are non-taxable income.

Under the current rules, depending on the actual qualification of the income arising from trading the Notes as capital gains rather than interest, within the meaning of the Romanian Fiscal Code, a 1% capital gains tax applies if listed securities are disposed of after 365 days since their acquisition and respectively a 16% tax rate applies for listed securities held for a period less than 365 days.

Nevertheless, as noted above, the Romanian Double Tax Treaty could be invoked with regard to such capital gains. Thus, under article 13 of the Romanian Double Tax Treaty, capital gains to be obtained by a Romanian resident from transfer of such securities should fall under paragraph 5 of article 13 and therefore shall be taxed only in Romania.

### ***Inheritance and Gift Tax***

There is no inheritance or gift tax in Romania. In case the Notes are granted free of charge to a Romanian tax resident individual by its employer, the value of the gift may be subject to Romanian income tax (at 16%) and related social security contributions.

Moreover, if the granting of the Notes is performed in the legal form of a donation, the transaction may need to be authenticated by a notary public. For large values, such authentication could trigger fees of around 1% of the value of the transferred Notes.

## **Romanian non-residents for tax purposes**

### ***Taxation of Interest***

Interest income to be obtained by a non-resident entity or person is subject to withholding tax in Romania unless the interest is treated as an expense attributed to a Romanian permanent establishment of a non-resident entity.

The domestic legislation does not provide for the concept of beneficial ownership in respect of interest payments, except with regard to the EU Savings Directive.

Starting from 1 January 2007, Romania adopted the EU Savings Directive. Therefore, a paying agent domiciled in Romania is required to withhold tax on interest under the Notes payable to an individual resident of another EU Member State, unless the country of residency of the beneficial owner of the interest opted for an exchange of information in accordance with the EU Savings Directive. However, this would not be the case of Austrian, Belgium and Luxembourgian interest income beneficiaries, as their countries have currently opted to impose a withholding tax system.

Therefore, the taxation of such interest obtained by non-residents should be reviewed on a case by case basis, based on the application of relevant double tax treaties and/or the EU Savings Directive. Also, the possible obligation of a Romanian paying agent to withhold the tax should be reviewed on a case by case basis.

### ***Taxation of capital gains***

Under the Fiscal Code, capital gains obtained by non-resident legal entities from alienation of the Notes issued by the Austrian issuer are not subject to taxation in Romania. Although under the Fiscal Code such income is not taxable in Romania, a provision under the Norms to the Fiscal Code (point 9<sup>o</sup> of the Norms to article 116 (5) of the Fiscal Code) appears to extend the Romanian taxation to capital gains arising from all types of securities traded by non-residents. This clause is considered to extend the scope of the Fiscal Code and therefore clarification on its application should be sought with the Romanian tax authorities.

Capital gains obtained by non-resident individuals from trading in any type of securities are subject to taxation in Romania if they qualify as Romanian-sourced income. There are arguments which may be brought to sustain the fact that the Notes have no connection to Romania and hence the related capital gain (if any) should not be deemed as Romanian sourced income. However, the taxation of such capital gains should be analysed on a case by case basis, based on the specific conditions of the transactions and the applicable legislation.

Income derived by non-resident collective placement bodies without corporate status from the transfer of securities, respectively of shares, held directly or indirectly in a Romanian legal entity, is not taxable in Romania.

### **VAT considerations**

Under the Romanian tax legislation, trading of financial instruments (including similar to Notes) is VAT exempt without credit.

## **Slovak Republic**

### **Residents**

#### ***Taxation of interest***

According to the Double Tax Treaty between the Slovak Republic and Austria, the interest received by a Slovak tax resident on Notes issued by an Austrian entity is subject to income tax in the Slovak Republic only. However, based on the recently adopted EU Savings Directive, Austrian tax of 20% will be withheld from the interest payment if the beneficial owner is an individual residing in another EU member state or certain other countries in the year 2008 and the following three years and 35% thereafter until the end of a transitional period (see Austria above).

In Slovakia, the interest income is subject to Slovak income tax at a flat rate of 19%, which is applicable for both individuals and corporations (Slovak tax residents). The interest income will be included in the general tax base and reported in the annual income tax return. If the Austrian tax has been withheld under the EU Savings Directive, it may be credited against the Slovak income tax liability.

#### ***Taxation of capital gains realised on the sale of Notes***

Based on the existing Double Tax Treaty, any capital gain realised by a Slovak tax resident on the sale of Notes issued by an Austrian entity is taxable only in the Slovak Republic. The Slovak income tax rate applicable for both individuals and corporations is 19%.

The tax deductibility of a potential loss varies according to the nature of the beneficial owner. In case of an individual holding the Notes as a non-business asset, the eventual loss from the sale of the Notes can be compensated only with profit realised on the sale of the other Notes, shares or securities in the same fiscal period. In the case of an individual holding the Notes in connection with its business activities, loss on the sale of the Notes can be generally offset against the interest income derived from the Notes before the sale. The amount of loss exceeding the related interest income is not deductible for tax purposes. The same applies for corporations.

Under the following situations, the loss is entirely accepted as a tax deductible expense:

- Securities traded at a stock exchange, the acquisition cost of which is not higher, and the proceeds from the sale of which are not lower than a deviation of 10% from the average quotation published by the stock exchange on the date of purchase or sale, or, if the securities are not traded on such a date, from the last published average quotation. As regards the securities above, the expense shall be equal to the acquisition cost of shares, or, with respect to other securities, the acquisition cost adjusted by the valuation difference arising out of the valuation at a fair market price which is included in the tax base;
- Bonds, the selling price of which is not lower by more than the interest accrued on the bonds and included in the tax base up prior to the date of sale or the date of maturity of the bond;
- For taxable parties, which are engaged in the trading with securities pursuant to special legislation, and which may deduct the expenses of acquisition of securities up to the amount posted as their cost.

#### ***Inheritance and Gift Tax***

There is no inheritance or gift tax in the Slovak Republic.

However, if Notes are donated by an employer to a Slovak tax resident who is an employee, or if Notes are donated to a Slovak tax resident who is a self-employee and these Notes are donated in connection with carrying out of his self-employment, the value of the gift is subject to Slovak income tax.

## **Non-residents**

### ***Taxation of interest***

Under the EU Savings Directive as implemented in the Slovak Republic, a paying agent domiciled in the Slovak Republic is required to withhold tax of 19 % on interest under the Notes payable to an individual resident in another EU Member State, unless the beneficiary recipient of the interest opted for an exchange of information in accordance with the EU Savings Directive.

Investor (corporate entity) who eventually holds during at least twenty four consecutive months at least 25% direct interest in the registered capital of the ultimate beneficiary of income, or the ultimate beneficiary of income holds at least 25 % direct interest in the registered capital of the taxable party paying income, or another legal entity with its registered office in any member State of the European Union holds at least 25 direct interest in the registered capital of the taxable party paying income, and at the same time it holds at least 25 % direct interest on the registered capital of the ultimate beneficiary of the income, will be treated on the basis of the relevant European Directive (Council Directive 2003/49/EC of 3 June 2003 on a common system of taxation applicable to interest and royalty payments made between associated companies of different Member States). According to this European Directive the interest or royalty, which are paid by Slovak corporate entity to a resident in another EU Member State, are exempted of the tax in the Slovak Republic, when the above mentioned conditions are fulfilled.

## **Slovenia**

The following is a general description of certain Slovenian tax considerations relating to the Notes, based on the Issuer's understanding of the current law and its practice in Slovenia. It does not purport to be a complete analysis of all relevant tax considerations. Furthermore, it only relates to the position of investors who are beneficial owners of the Notes and the interest and may not apply to certain classes of investors. Prospective purchasers of the Notes should consult their tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of the Republic of Slovenia of acquiring, holding and disposing of the Notes and receiving payments of interest, principal and/or other amounts under the Notes. This summary is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date.

## **Residents**

### **Income taxation of interest**

#### ***Taxation of individuals***

Under the Slovenian tax laws currently in effect, the payment of interest on the Notes (as defined in Sec. 81 of the Slovenian Individual Income Tax Act [*Zakon o dohodnin*]) in accordance with their terms and conditions to a resident individual (within the meaning of the relevant provisions of the Slovenian Individual Income Tax Act) will generally be subject to Slovenian income tax at a flat rate of 20% (levied by way of withholding or by way of assessment), provided that these qualify as non-business assets. Income from a disposal or repurchase by the issuer of discounted debt securities (including non-coupon debt securities) shall also be considered as interest income (in accordance with Sec. 88 of the Slovenian Individual Income Tax Act).

Under Sec. 54 of the Slovenian Individual Income Tax Act interest on Notes issued in series held by a resident individual as business assets will generally qualify as non-business income, in which case it would be subject to the flat rate of 20% as described above, instead of the progressive tax rate of up to 41%, which generally applies to business income.

If withholding tax is deducted from the interest in Austria under the Austrian provisions implementing the EU Savings Directive, the resident individual may claim a credit of the tax deducted in Austria against his/her Slovenian income tax liability. If the tax deducted is greater than the tax liability in Slovenia, the resident individual will get a refund of the excess amount from the Slovenian tax authorities.

### ***Taxation of corporations***

Under the Slovenian tax laws currently in effect, the payment of interest on the Notes in accordance with their terms and conditions to a resident corporation (within the meaning of the relevant provisions of the Slovenian Corporate Income Tax Act [*Zakon o davku od dohodkov pravnih oseb*]) will generally be subject to Slovenian corporate income tax at a flat rate of 21%. As of 2010 the rate will be reduced to 20%.

### **Income taxation of capital gains**

#### ***Taxation of individuals***

Under the Slovenian Individual Income Tax Act, capital gains from the sale or other disposition of debt securities held as non-business assets are in general exempt from taxation. As of 15 July 2008, a new act on the taxation of profits from the disposal of derivatives (*Zakon o davku od dohodka od odsvojitve izvedenih finančnih instrumentov*) came into force, taxing capital gains derived from the alienation of financial derivatives (as defined in Sec. 7 of the Financial Instruments Market Act [*Zakon o trgu finančnih instrumentov*]) and debt securities (except for coupon debt securities and discount debt securities) by a resident individual at the rate of 40% (in the first 12 months of holding) and 20% (in the following 4 years of holding). The tax rate is further reduced by 5 percentage points for every 5 years of holding, so that the rate of 15%, 10%, 5% and 0% applies after the 5th, 10th, 15th and 20th year of holding, respectively.

Capital gains from the sale or other disposition of debt securities held as business assets will generally be subject to a progressive income tax rate of up to 41%.

#### ***Taxation of corporations***

Capital gains derived from the sale or other disposition of the Notes by a Slovenian resident corporation will generally be subject to Slovenian corporate income tax at a flat rate of 21%. As of 2010 the corporate income tax rate will be reduced to 20%.

### **Inheritance and gift taxation**

Individuals and private law entities (within the meaning of Sec. 3 of the Slovenian Inheritance and Gift Tax Act [*Zakon o davku na dediscine in darila*]) are subject to Slovenian inheritance and gift tax in case of a transfer of the Notes *mortis causa* or *inter vivos*. The rate of such tax depends upon the value of the assets transferred and upon the relationship between the deceased/the donor on the one hand and the heir/the donee on the other hand. An exemption may apply in certain cases, such as to transfers between direct descendants and between spouses, as well as to a transfer of movable property the total value of which does not exceed EUR 5,000.

## **Non-residents**

A non-resident individual or corporation will be subject to limited (corporate) income tax liability in Slovenia (at the same tax rate as Slovenian resident individuals or corporations) in respect of interest on the Notes and capital gains derived from the sale or other disposition of the Notes, but only if the Notes are attributable to a Slovenian permanent establishment.

Slovenia has implemented the EU Savings Directive. Therefore, if payments under the Notes qualify as interest under the EU Savings Directive and are made to beneficial owners who are individuals resident for tax purposes in another Member State of the EU or in certain dependant or associated territories, Slovenia will provide certain information to the respective foreign tax authorities.

Finally, reference is made to the statements regarding inheritance and gift taxation contained above.

## **Italy**

The following is a general summary of certain Italian tax ramifications of acquiring, holding and disposing of the Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to the decision to purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of the Notes, some of which may be subject to special rules. For instance, this summary does not discuss the treatment of Notes that are held in connection with a permanent establishment in Italy through which a non-resident carries on business in Italy.

Therefore, the following summary cannot serve as the sole basis for judging the tax consequences of an investment in the Notes.

With regard to certain innovative or structured financial instruments there is currently neither case law nor comments of the Italian Tax Authorities as to the tax treatment of such financial instruments. Accordingly, it cannot be excluded that the Italian Tax Authorities and Italian courts or Italian paying agents may adopt a different view from that outlined below.

It is recommended that prospective investors should consult their tax advisors, who can take into consideration the personal situation of the investor in connection with analyzing the overall tax consequences of acquiring, holding and disposing of the Notes and the applicability of the following general principles.

The following summary is based upon Italian tax laws and practice in effect as at the date of this Prospectus, which may be subject to change, potentially with retroactive effect. Please note that this Prospectus will not be amended to take into account such future changes. It should be noted that the taxation of the Notes may change as a result of a process of review of the tax regime applicable to financial income.

### ***Taxation of Interest***

Legislative Decree No. 239 of 1 April 1996, as amended ("Decree No. 239"), regulates the tax treatment of interest, premiums and other income from Notes (including the difference between the redemption amount and the issue price), hereinafter collectively referred to as "Interest", inter alia issued by non-resident companies. The provisions of Decree No. 239 only apply to those Notes that qualify as bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*) pursuant to Article 44, paragraph 2(c) of Presidential Decree No. 917 of 22 December 1986, as amended. For securities to qualify as similar to bonds (*titoli similari alle obbligazioni*) they must incorporate an unconditional obligation to pay at maturity an amount not less than that therein indicated without providing any right to the Noteholders to participate in, or to control, the activity carried on by the Issuer.

## **Resident individuals**

Please note that it is hereinafter assumed that the individual holds the Notes in his/her capacity of private individual, i.e. not in connection with an entrepreneurial activity.

Pursuant to Decree No. 239, where the Noteholder, who is the beneficial owner of the Notes, is a resident individual holding Notes with an original maturity of at least 18 months otherwise than in connection with an entrepreneurial activity, Interest is subject to a final substitute tax (referred to as "imposta sostitutiva") levied at the rate of 12.5 per cent, either when Interest is paid by the Issuer or when payment thereof is obtained by the holder on a transfer of the Notes.

Imposta sostitutiva is applied by banks, SIMS, fiduciary companies, SGRs, stockbrokers and other entities identified by a decree of the Ministry of Economy and Finance ("Intermediaries"). The Intermediaries must (i) be resident or be a permanent establishment in Italy of a non-resident financial intermediary and (ii) intervene, in any way, in the collection of Interest or in the transfer of the Notes.

For the purpose of the application of imposta sostitutiva, a transfer of Notes includes any assignment or other act, either with or without consideration, that results in a change of ownership of the relevant Notes or in a change of the intermediary with which the Notes are deposited.

Where the Notes are not deposited with an authorised Intermediary, imposta sostitutiva is applied and withheld by any intermediary paying Interest to the Noteholders.

The 12.5 per cent imposta sostitutiva regime described herein does not apply in case the Notes are held in a discretionary investment portfolio managed by an authorised financial intermediary and the investor opts to be taxed at a flat rate of 12.5 per cent on the year-end appreciation of the investment portfolio accrued, even if not realised (which appreciation includes Interest accrued on the Notes), pursuant to the so-called discretionary investment portfolio regime (the risparmio gestito regime) provided by Article 7 of Legislative Decree No. 461 of 21 November 1997, as amended ("Decree No. 461").

Imposta sostitutiva applies at the 27 per cent rate if the original maturity of the Notes is shorter than 18 months.

## **Resident companies**

Interest on Notes deposited with an authorised Intermediary received by a resident company is not subject to imposta sostitutiva and must be included on an accrual basis in the Noteholder's annual tax return and therefore be subject to general Italian taxation, according to the ordinary rules.

## ***Early redemption***

Without prejudice to the above provisions, Notes qualifying as bonds (obbligazioni) or securities similar to bonds (titoli similari alle obbligazioni), as defined above, and with an original maturity of eighteen months or more that are made subject to an early redemption within eighteen months from the date of issue are subject to an additional tax due by the Noteholder at the rate of 20 per cent in respect of Interest accrued on the Notes up to the date of the early redemption pursuant to Article 26(3) of Presidential Decree No. 600 of 29 September 1973 as amended. According to one interpretation of Italian tax law, the above 20 per cent additional tax may also be due in the event of a repurchase by the Issuer of Notes that are subsequently cancelled prior to eighteen months from the date of issue.

### **Notes classified as atypical securities**

Interest relating to Notes that are not deemed to fall within the category of bonds (obbligazioni) or securities similar to bonds (titoli similari alle obbligazioni) pursuant to Article 44, paragraph 2(c) of Presidential Decree No. 917 of 22 December 1986, as amended, may be subject to a withholding tax levied at the rate of 27 per cent (final or on account depending on the status of the relevant Noteholder). Pursuant to Article 44, paragraph 2(c) of Presidential Decree No. 917 of 22 December 1986, for securities to qualify as similar to bonds (titoli similari alle obbligazioni) they must incorporate an unconditional obligation to pay at maturity an amount not less than that therein indicated without providing any right to the Noteholders to participate in, or to control, the activity carried on by the Issuer.

### **Taxation of capital gains**

#### **Resident individuals**

Pursuant to Decree No. 461, a 12.5 per cent capital gain tax, hereinafter referred to as *imposta sostitutiva*, is applicable to capital gains realised upon any sale or transfer for consideration or redemption of the Notes by resident individuals holding the Notes not in connection with an entrepreneurial activity.

- Under the tax declaration regime (regime della dichiarazione), which is the default regime, *imposta sostitutiva* on the capital gains is chargeable, on a cumulative basis, on all capital gains net of any incurred capital losses realised by resident individuals not engaged in entrepreneurial activities pursuant to all investment transactions carried out during any given fiscal year. The capital gains realised in a year must be detailed in the annual tax return and *imposta sostitutiva* must be paid on such capital gains together with any income tax due for the relevant tax year. Capital losses that exceed gains may be carried forward against capital gains realised in any of the following four fiscal years.
- Alternatively to the tax declaration regime, resident individuals (holding the Notes not in connection with an entrepreneurial activity) may elect to pay *imposta sostitutiva* separately on capital gains realised upon the sale, transfer or redemption of the Notes (*regime del risparmio amministrato*). Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with banks, SIMs or other authorised intermediaries and (ii) an express election of separate taxation being timely made in writing by the relevant Noteholder. The separate taxation election lasts for the entire fiscal year and unless revoked prior to the end of such year is deemed valid also for the subsequent one. The intermediary is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale, transfer or redemption of the Notes, as well as on capital gains realised as at revocation of its mandate, net of any incurred capital losses, and is required to pay the relevant amount to the tax authorities, deducting a corresponding amount from proceeds to be credited to the Noteholder. Where a particular sale, transfer or redemption of the Notes results in a capital loss, the intermediary is entitled to deduct such loss from gains subsequently realised on assets held with the same securities management in the same tax year and in the following tax years up to the fourth. Under the *risparmio amministrato* regime the Noteholder remains anonymous (i.e. is not required to report the capital gains in the annual tax return).

Different rules apply if the Notes are held by resident individuals (holding the Notes not in connection with an entrepreneurial activity) in a portfolio managed upon selection by the taxpayer by a professional intermediary in the regime of *risparmio gestito*. Under such regime capital gains realised upon sale, transfer or redemption of the Notes are not subject to *imposta sostitutiva* but will contribute to determine the annual accrued appreciation of the portfolio. Under the *risparmio gestito* regime, a 12.5 per cent final substitute tax on the accrued, even if not realised, appreciation of the portfolio at year-end is applied on behalf of the taxpayer by the managing professional intermediary. Under the *risparmio gestito* regime any depreciation of the investment portfolio accrued at year-end may be carried forward



against appreciation accrued in each of the following years up to the fourth. Under the *risparmio gestito* regime the Noteholder remains anonymous (i.e. is not required to report the capital gains in the annual tax return).

### **Resident companies**

Capital gains realised by a resident company from the disposal of the Notes must be included in the Noteholder's annual tax return and therefore be subject to general Italian taxation, according to the ordinary rules.

### **Non-residents**

Interest received by non-residents is not subject to Italian taxation.

Capital gains realised by non-residents from the sale, transfer or redemption of the Notes are not subject to Italian taxation, provided that the Notes are held outside Italy.

### ***Inheritance and gift tax***

Inheritance and gift tax has been re-introduced under Italian tax law by Law No. 286 of 24 November 2006, as amended by Law No. 296 of 27 December 2006 (Finance Bill 2007). Accordingly, mortis causa transfers of the Notes, transfers of the Notes by way of donation, gift or other transfer at gratuitous title or the establishing of dedicated interests on the Notes (vincoli di destinazione) may be subject to inheritance and gift tax, which applies at proportional rates ranging from 4 to 8 per cent depending on the relationship between the transferor and the transferee.

### ***Tax monitoring***

Pursuant to Law Decree No. 167 of 28 June 1990, ratified and converted by Law No. 227 of 4 August 1990, as amended, resident individuals that, at the end of the year, hold investments abroad or who have financial activities abroad must, in certain circumstances, disclose the aforesaid investments and activities and the related transactions to the tax authorities. This obligation does not exist in cases where the overall value of the foreign investments and financial activities at the end of the year, and the overall value of the transactions carried out during the relevant year, does not exceed Euro 10,000.

### **Implementation of EU Savings Directive**

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 ("Decree 84/2005"). Under Decree 84/2005, subject to a number of important conditions being met, in the case of interest paid starting from 1 July 2005 (including the case of interest accrued on the Notes at the time of their disposal) to individuals that qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian paying agents [i.e. banks, SIMs, fiduciary companies, SGRs resident for tax purposes in Italy, permanent establishments in Italy of non-resident persons and any other economic operator resident for tax purposes in Italy paying interest for professional or commercial reasons] shall report to the Italian tax authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian tax authorities to the competent foreign tax authorities of the State of residence of the beneficial owner. In certain circumstances, the same reporting requirements must be complied with also in respect of interest paid to an entity established in another Member State, other than legal persons (with the exception of certain Finnish and Swedish entities), whose profits are taxed under general arrangements for business taxation and, in certain circumstance, UCITS recognised in accordance with the UCITS Directive.

Companies, similar entities subject to taxation on business profits, UCITS passported under the UCITS Directive and non passported UCITS that have elected to be treated like passported, are excluded from the application of Decree No. 84.

Either payments of interest on the Notes or the realisation of the capitalised interest through a sale of the Notes would constitute “payments of interest” under Article 6 of the Directive and, as far as Italy is concerned, Article 2 of the Decree 84/2005.

## **Malta**

### **Maltese tax residents**

#### ***Maltese income tax considerations - General***

In the case of persons who are both domiciled and ordinary resident in Malta, income tax is charged on a worldwide basis on their chargeable income, including specified capital gains. However, this rule is subject to any double taxation treaty provisions which may apply in the particular circumstances in terms of Malta’s double taxation treaties currently in force (e.g. a tax treaty is currently in force between Malta and Austria).

In general, the income tax rate for income and capital gains currently stands at 35% for companies (as defined in the Income Tax Act) and varies between 0% and 35% for other persons.

However income/ gains falling within the definition of “investment income” under the Income Tax Act, may be charged to a final withholding tax of 15% subject to the satisfaction of certain statutory conditions (refer to further comments below).

#### ***Income tax on interest***

Malta is entitled to tax interest income even in terms of the Malta-Austria double taxation treaty.

The Maltese income tax treatment of interest income derived from the Notes depends on whether such income falls within the definition of “investment income” under the Maltese Income Tax Act. The definition provides for an exhaustive list of sources of income (including different types of interest income) which would fall within the meaning of “investment income” for Maltese tax purposes.

“Investment income” as defined under the Income Tax Act includes, for example, “interest, discounts or premiums payable in respect of a public issue by a company, entity or other legal person howsoever constituted and whether resident in Malta or otherwise”.

If the interest income qualifies as “investment income” under Maltese tax law, such income may be subject to a 15% final withholding tax.

In order for the said 15% final withholding tax to be applicable, the Maltese-resident Noteholder should fall within the definition of “recipient” in terms of Article 41 of the Income Tax Act - holders who do not fall within this definition should seek advice on the taxation of such income. Special rules apply where the recipient is a Maltese-registered collective investment scheme holding a classification for Maltese tax purposes as a ‘prescribed fund’ and such a recipient should seek advice accordingly.

Furthermore, in terms of current Maltese Revenue practice, the payment of the 15% final withholding tax would have to be effected through an authorised financial intermediary licensed in Malta i.e. the Maltese authorised financial intermediary would have the obligation to collect and forward such withholding tax to the Maltese Revenue.

The 15% withholding tax is a final tax and a resident individual holder of the Notes is entitled not to declare the respective interest income on his/ her income tax return. A Maltese-resident holder of the Notes should not be charged to further tax in respect of such interest income. Tax withheld will in no case be available to any person for credit against that person's tax liability or for a refund as the case may be.

Notwithstanding the above, the Maltese resident holder may opt to receive the interest income without deduction of withholding tax. In this case, such person would be obliged to declare the interest income on the income tax return and would be subject to tax on such interest income at the standard rates of tax applicable to that person at the time that the interest income is received by the Noteholder.

If foreign (non-Maltese) tax is charged (or, in certain instances, deemed to be charged) on the interest income, subject to the satisfaction of certain statutory conditions, such foreign tax may be creditable against the Maltese tax. However such a credit of foreign tax should not be available in the case that the interest income is subject to the 15% final withholding tax outlined above; also, in that case, the Maltese 15% final withholding tax should be chargeable on the gross interest income.

### ***Income tax on capital gains***

This part refers only to Noteholders who do not deal in securities in the course of their trading activity and the Notes in question represent a "capital asset". Hence the redemption/ disposal of such Notes should result in a capital gain (and not a trading gain) for Maltese tax purposes.

Malta is entitled to tax capital gains realised on transfers of securities even in terms of the Malta-Austria double taxation treaty (in the circumstances and subject to the terms and conditions set out in the said treaty).

Under Maltese tax law, only those capital gains as specified under the Maltese Income Tax Act are subject to income tax in Malta. The provisions regulating capital gains provide for a definition of "securities" as follows: "shares and stocks and such like instruments that participate in any way in the profits of the company and whose return is not limited to a fixed rate of return...".

If the particular Notes do not fall within the above-quoted definition, the capital gain arising on the redemption / disposal of the Notes should not be subject to Maltese tax.

In the case where the particular Notes fall within the definition of "securities" as quoted above, capital gains realised by a Maltese resident and domiciled Noteholder on the redemption/ disposal of the Securities should be subject to Maltese income tax.

Similarly to the tax position outlined above in respect of interest income, the applicable tax rate on such capital gains depends on whether the capital gains qualify as "investment income" under the Maltese Income Tax Act.

The definition of "investment income" includes, for example, "capital gains arising on the redemption, liquidation or cancellation of securities ... not being shares in a company". On the assumption that the Notes should not represent "shares in a company" as required by the said provision of the law, the capital gain, if any, arising on the redemption of the Notes should qualify as "investment income" in terms of the aforesaid provision. In this case, chargeable capital gains may be subject to a final withholding tax of 15%.

The same considerations outlined in respect of interest income regarding the applicability (and other features) of the 15% final withholding tax also apply in this case. Furthermore in respect of capital gains arising on the redemption of the Notes, the Noteholder has the option to receive the capital gains without deduction of withholding tax in which case the Noteholder

would be required to declare the capital gain in the tax return and charge it to tax at the standard rates of tax applicable to that person at the time of redemption of the Notes.

The position outlined in the preceding two paragraphs should not apply in the case of a disposal of the notes since the definition of “investment income” referred to above specifically requires a “redemption, liquidation or cancellation”. Hence in the case of a disposal (rather than a redemption) of the Notes, any chargeable capital gains should not qualify as “investment income” and should therefore be declared on the Noteholder’s income tax return and be subject to tax at the standard rates of tax at the point of disposal.

## **Non-Maltese tax residents**

### ***Income tax on interest and capital gains***

On the basis that, in this case, (i) the Noteholders would not be resident and not domiciled in Malta for tax purposes, and (ii) the interest income/ capital gains would not represent income/ gains arising in Malta and any interest income would not be received in Malta, and (iii) the Notes would not form part of the business property of a Maltese permanent establishment of the Noteholder, no Maltese income tax liability should arise under Maltese tax law.

### ***Duty on documents and transfers (stamp duty)***

The Maltese Duty on Documents and Transfers Act charges to duty inter alia transfers of marketable securities. A redemption of securities should not be covered by the term “transfer” under Maltese stamp duty legislation and should therefore not be chargeable to Maltese stamp duty. Hence the Maltese stamp duty considerations under this part should be relevant in the case where a disposal (direct transfer) of the Notes occurs.

Maltese stamp duty is chargeable at the rate of two Euro for every one hundred Euro or part thereof in respect of the amount or value of the consideration or the real value of the marketable security, whichever is the higher. Maltese stamp duty is due on documents executed in Malta and on documents executed outside Malta which are made use of in Malta.

However, if the Issuer has in place an Article 47 exemption determination issued by the Maltese Revenue, any acquisitions or disposals of marketable securities issued by the Issuer should be exempt from Maltese stamp duty if such an exemption determination continues to be in place until the time that any disposal of the Notes occurs.

## **Implementation of the EU Savings Directive**

Malta has implemented the EU Savings Directive into Maltese domestic legislation as from 1 January 2005 in terms of legal notice 267 of 2004.

If any of the payments derived from the Notes fall within the purport of EU Savings Directive, the country of the Issuer would have to determine whether any exchange of information requirements would apply or whether any foreign (non-Maltese) withholding tax would apply on such payments.

## **EU Savings Directive**

The EU has adopted the EU Savings Directive regarding the taxation of savings income. The EU Savings Directive requires each EU member state to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person within its jurisdiction to an individual resident in another member state, except that Austria, Belgium and Luxembourg will instead impose a withholding system for a transitional period (the ending of such transitional period being dependant upon the conclusion of certain other agreements relating to information exchange with certain other countries) unless during such period they elect otherwise. A number of other non-EU countries and territories, including

Switzerland, have agreed to adopt similar measures (a withholding system in the case of Switzerland) with effect from the adoption of the EU Savings Directive.

## **SUBSCRIPTION AND SALE**

Subject to the terms and on the conditions contained in a Programme Agreement dated 30 June 1998, as amended and restated on 17 July 2009 (the "Programme Agreement") between the Issuer and the Permanent Dealers, the International Notes will be offered from time to time by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell International Notes directly on its own behalf to Dealers that are not Permanent Dealers. The International Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The International Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Programme Agreement also provides for International Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers. The Issuer will act as sole Arranger in respect of Domestic Notes. Furthermore, together with Erste Bank Oesterreich, Issuer will act as Dealer in respect of the Notes.

The Issuer will pay each relevant Dealer a commission as agreed between the Issuer and the Dealer, which commission may be deducted from the net proceeds payable to the Issuer on the closing of any series of Notes. The Issuer has agreed to reimburse the Arranger for certain of their expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in Part A of the relevant Final Terms.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Programme Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

### **United States**

The Notes 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, US 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.

Notes in bearer form having a maturity of more than one year are subject to US 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 US tax regulations. Terms used in this paragraph have the meanings given to them by the US Internal Revenue Code of 1986 and regulations thereunder.

Each Dealer has represented and agreed that, and each Further Dealer appointed under the Programme will be required to represent and agree that, except as permitted by the Programme Agreement, it has not offered or sold and will not offer or sell the Notes of any identifiable Tranche, (i) as part of its distribution at any time and (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the relevant Dealer and the Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, of all Notes of the Tranche of which the Notes are a part within the United States or to, or for the account or benefit of, US persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period, as defined in Regulation S under the Securities Act, a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, US persons.

In addition, until 40 days after the commencement of the offering an offer or sale of Notes within the United States by any Dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Each issuance of index-, commodity-, future- or currency-linked Notes may be subject to such additional US selling restrictions as the relevant Dealer(s) may agree with the Issuer as a term of the issuance and purchase or, as the case may be, subscription of such Notes. Each Dealer agrees that it shall offer, sell and deliver such Notes only in compliance with such additional US selling restrictions.

### **Public Offer Selling Restrictions under the Prospectus Directive**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-Exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-Exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer;
- (e) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (e) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State .

## Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, each Dealer has represented and agreed that, save as set out below, it has not offered or sold, and will not offer or sell, any Notes in the Republic of Italy in an offer to the public and that sales of the Notes in the Republic of Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Accordingly, each of the Dealers has represented and agreed that it will not offer, sell or deliver any Notes or distribute copies of the Base Prospectus and any other document relating to the Notes in the Republic of Italy except:

- (a) to “qualified investors”, as referred to in Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (“Decree 58”), which includes natural persons and small and medium-sized enterprises, as defined by the Prospectus Directive;
- (b) that it may offer, sell or deliver Notes or distribute copies of any prospectus relating to such Notes in an offer to the public in the period commencing on the date of publication of such prospectus, provided that such prospectus has been approved in another Relevant Member State and notified to CONSOB, all in accordance with the Prospectus Directive, as implemented in Italy under Decree 58 and CONSOB Regulation No. 11971 of 14 May 1999, as amended (“Regulation No. 11971”), and ending on the date which is 12 months after the date of publication of such prospectus; and
- (c) in any other circumstances where an express exemption from compliance with the restrictions on an offer to the public applies, as provided under Decree No. 58 or Regulation No. 11971.

Any such offer, sale or delivery of the Notes or distribution of copies of the Base Prospectus or any other document relating to the Notes in the Republic of Italy must be:

- (a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September 1993 as amended, Decree No. 58, CONSOB Regulation No. 16190 of 29 October 2007, as amended and any other applicable laws and regulations; and
- (b) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

### *Provisions relating to the secondary market in Italy*

Investors should also note that, in any subsequent distribution of the Notes in the Republic of Italy, Article 100-bis of Decree No. 58 may require compliance with the law relating to public offers of securities. Furthermore, where the Notes are placed solely with “qualified investors” and are then systematically resold on the secondary market at any time in the 12 months following such placing, purchasers of Notes who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and, in addition, to claim damages from any authorised person at whose premises the Notes were purchased, unless an exemption provided for under Decree No. 58 applies.

## United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of



investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### **Japan**

The Notes have not been, and will not be, registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948 as amended, the “**FIEL**”) and disclosure under the FIEL has not been and will not be made with respect to the Notes. Accordingly, 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, directly or indirectly, offered, sold, resold or otherwise transferred and will not, directly or indirectly, offer, sell, resell or otherwise transfer any Notes nor any interest therein in Japan or to, or for the benefit of, a resident of Japan or to others for reoffering, resale or otherwise transferring, 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 FIEL and all other applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities. As used in this paragraph, “resident of Japan” means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

### **General**

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in Part A of the relevant Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Prospectus.

No action has been taken in any jurisdiction (other than Luxembourg) that would permit a public offering of any of the Notes or possession or distribution of the Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required. The Issuer may take such action in certain other jurisdictions within the European Economic Area, including in Austria, Germany, the Czech Republic, Hungary, Italy, Malta, Poland, the Slovak Republic, Romania and Slovenia.

Each Dealer has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Prospectus, any other offering material or any Final Terms and none of the Issuer nor any other Dealer shall have responsibility therefor.

## GENERAL INFORMATION

- (1) Application may be made to admit the Programme and/or Notes to the Markets.
- (2) The Issuer has obtained all necessary consents, approvals and authorisations in Austria in connection with the issue and performance of Notes. The establishment of the Programme was authorised by a resolution of the Managing Board of the Issuer passed on 9 June 1998 and by a resolution of the Planning and Strategy Committee of the Supervisory Board of the Issuer passed on 17 June 1998.
- (3) Tranches of Notes will be issued under the Programme in accordance with internal approvals, as in force from time to time, provided that, unless otherwise specified otherwise in the Final Terms, issues of Notes from 1 January 2009 until 31 December 2009 will be made in accordance with a resolution of the Managing Board of the Issuer passed on 18 November 2008 and by a resolution of the Supervisory Board of the Issuer passed on 11 December 2008, and issues of Notes in 2010 will be made in accordance with resolutions of the Managing Board, the Strategy Committee of the Supervisory Board (if any) and the Supervisory Board of the Issuer which are expected to be adopted in December 2009. Except as disclosed in this Prospectus, there has been no significant change in the financial or trading position of the Erste Group since 31 March 2009 and no material adverse change in the prospects of the Issuer since 31 December 2008.
- (4) No governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during the twelve months preceding the date of this Prospectus, may have, or have had in the recent past, significant effects on the Issuer and/or Erste Group's financial position or profitability, save as disclosed in "Legal and Arbitration Proceedings" on page 183 of this Prospectus.
- (5) Each Bearer Note, Receipt, Coupon and Talon with a maturity of over one year will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Section 165(j) and 1287(a) of the Internal Revenue Code of the United States".
- (6) Notes have been accepted for clearance through the Euroclear, Clearstream, Luxembourg and OeKB Systems. The Common Code and the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in Part B of the relevant Final Terms.
- (7) The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg and the address of OeKB is Am Hof 4, A-1011 Vienna. The address of any alternative clearing system will be specified in the applicable Final Terms.
- (8) The issue price and the amount of the relevant Notes will be determined before filing of the relevant Final Terms of each Tranche, based on then prevailing market conditions. Where for a particular tranche of Domestic Notes the issue price or aggregate principal amount are not fixed at the time of issue, the Final Terms shall describe the procedures for calculation and publication of such information. The issue price for Notes issued in tap issues shall be specified in the Final Terms at the start of their term and thereafter shall be fixed by the Issuer continuously according to market conditions prevailing from time to time. In such case, the aggregate principal amount of the Notes may increase from time to time upon subscriptions being made, and the Issuer will in such case specify on the Issue Date the upper limit of the aggregate principal amount of the Notes in the Final Terms.

- (9) Copies of the latest financial statements and interim accounts of the Issuer may be obtained, and copies of the Prospectus (including any Supplement to the Prospectus), any Final Terms and the Agency Agreement will be available for inspection at the registered office of the Issuer and at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes are outstanding.
- (10) Sparkassen-Prüfungsverband Prüfungsstelle (statutory auditor, two current directors of which are members of the Austrian Institute of Auditors) of Grimmelshausengasse 1, A-1030 Vienna, and Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. (a member of "Kammer der Wirtschaftstreuhänder Österreich") of Wagramer Straße 19, 1220 Vienna, have audited and rendered unqualified audit reports on the consolidated financial statements of the Issuer for the year ended 31 December 2007 (dated 12 March 2008) and the year ended 31 December 2008 (dated 10 March 2009).
- (11) For so long as Notes may be issued pursuant to this Prospectus, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer and the specified offices of the Paying Agents:
- (i) the Agency Agreement (which includes the form of the Global Notes, the definitive Bearer Notes, the Certificates, the Coupons, the receipts and talons);
  - (ii) the Programme Agreement;
  - (iii) the Deed of Covenant;
  - (iv) the articles of association of the Issuer;
  - (v) the published consolidated annual report and audited financial statements of the Issuer for the two most recent financial years ended prior to the date of this Prospectus and any subsequent interim financial statements of the Issuer;
  - (vi) each set of Final Terms for Notes that are admitted to trading on a Market or on any other market or stock exchange;
  - (vii) a copy of this Prospectus together with any supplement to this Prospectus or further Prospectus; and
  - (viii) a copy of the subscription agreement for Notes issued on a syndicated basis that are admitted to trading on the Markets.
- (12) Electronic versions of the following documents will be available on the website of the Issuer under "www.erstegroup.com" and (unless provided otherwise below) on the website of the Luxembourg Stock Exchange under [www.bourse.lu](http://www.bourse.lu):
- (i) a copy of this Prospectus together with any supplement to this Prospectus or further Prospectus;
  - (ii) each set of Final Terms for Notes that are admitted to trading on a Market or on any other market or stock exchange, provided that only Final Terms for Notes that are admitted to trading on the regulated market of the Luxembourg Stock Exchange shall be published on the website of the Luxembourg Stock Exchange;

- (iii) the prospectuses incorporated by reference into this Prospectus; and
- (iv) the audited consolidated financial statements of the Issuer for the financial years ended 31 December 2007 and 31 Decemebr 2008 and the unaudited consolidated interim financial statements of the Issuer for the first quarter year ended 31 March 2009 incorporated by reference into this Prospectus.

**FORM OF FINAL TERMS  
(ISSUE OF NOTES WITH A DENOMINATION OF LESS THAN €50,000 OR EQUIVALENT)**

**Final Terms dated [●]**

**Erste Group Bank AG**

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]<sup>1</sup>

under the **€30,000,000,000 Debt Issuance Programme**

[The Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so in:

- (i) circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) those Public Offer Jurisdictions mentioned in Paragraph 38 of Part A below, provided such person is one of the persons mentioned in Paragraph 38 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances]<sup>2</sup>.

[The Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a Relevant Member State) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes 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 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances].<sup>3</sup>

**PART A - CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the Prospectus dated [●] 200[●] [and the supplement to the Prospectus dated [●] ]<sup>4</sup> which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. The Prospectus [and the supplement to the Prospectus] [is] [are] available for viewing [at [website]] [and] during normal business hours at [address] [and copies may be obtained from [address]].<sup>5</sup>

*The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the Prospectus dated [original date] [and the supplement to the Prospectus dated [●]]<sup>4</sup>. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive") and must be read in conjunction with the Prospectus dated [current date] [and the supplement to the Prospectus dated [●]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Prospectus dated [original date] [and the supplement to the Prospectus dated [●]] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectuses dated [original date] and [current date] [and the supplement to the Prospectuses dated [●] and [●]]. The Prospectuses [and the supplement to the Prospectuses] are available for viewing at [website] [and] during normal business hours at [address] [copies may be obtained from [address].]<sup>5</sup>

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.]*

*[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.]*

*[In case of Notes linked to hedge funds insert: The Notes economically represent a hedge fund and an investment therefore carries a high degree of risk. Hence only a small part of the disposable funds should be invested into the Notes and not all disposable funds or funds financed by credit should be invested into the Notes. An investment into the Notes will be offered to investors particularly knowledgeable in investment matters. Investors should participate in the investment only if they are in a position to consider carefully the risks associated with the Notes.]*

*[In case of Notes offered to retail investors, insert: Investors should note that where the terms and conditions of the Notes provide for a right of early redemption by the Issuer only, Noteholders usually receive a higher yield on their Notes than they would if they were also granted a right to early redeem the Notes. Excluding the Noteholders' right to redeem Notes prior to their maturity is often a precondition for the Issuer being able to hedge its exposure under the Notes. Thus, without early redemption by Noteholders being excluded, the Issuer would not be able to issue Notes at all, or the Issuer would factor the potential hedging break costs into the redemption amount of the Notes, thus reducing the yield investors receive from the Notes. Investors should therefore carefully consider whether they think that a right of early redemption only for the Issuer would be to their detriment, and should, if they think that this is the case, not invest in the Notes.]*

1	Issuer	Erste Group Bank AG
2	[(i)] Series Number:	[●]
	[(ii)] Tranche Number:	[●]
	(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)	
3	Specified Currency or Currencies:	[●]
4	Aggregate Nominal Amount:	[●]

	[(i)] Series:	[•]
	[(ii)] Tranche:	[•]
<b>5</b>	Issue Price:	[•]% of the Aggregate Nominal Amount [plus accrued interest from <i>[insert date]</i> (if applicable) <i>[In the case of Notes issued as tap issues, insert: Initially [•]% of the Aggregate Nominal Amount and fixed thereafter by the Issuer according to prevailing market conditions]</i>
<b>6</b>	(i) Specified Denominations:	[•]
	(ii) Calculation Amount	[Specify/Specified Denomination]
<b>7</b>	(i) Issue Date:	[•]
	(ii) Interest Commencement Date:	[Specify/Issue Date/Not Applicable]
<b>8</b>	Maturity Date:	[•] [Not applicable (Tier 1 Notes)] <i>[specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]</i>
<b>9</b>	Interest Basis:	[•% Fixed Rate] <i>[[specify reference rate] +/- •% Floating Rate]</i> [Zero Coupon] [Index-Linked Interest] [Equity-linked Interest] [Fund-linked Interest] [Credit-linked Interest] [Commodity-linked Interest] [Future-linked Interest] [Other (specify)] (further particulars specified below)
<b>10</b>	Redemption/Payment Basis:	[Redemption at par] [Index-Linked Redemption] [Dual Currency] [Partly Paid] [Instalment] [Reverse Convertible] [Other (specify)]
<b>11</b>	Change of Interest or Redemption/Payment Basis:	<i>[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]</i>
<b>12</b>	Put/Call Options:	[Investor Put] [Issuer Call] [(further particulars specified below)]
<b>13</b>	(i) Status of the Notes:	[Senior/[Dated/Perpetual]/Supplementary Capital/Subordinated Capital/ Subordinated Supplementary Capital/Short-term Subordinated Capital/Tier 1 Capital/ <i>Pfandbrief/ Kommunalschuldverschreibung (Öffentlicher Pfandbrief)/Covered Bond (Fundierte</i>

*Bankschuldverschreibung*]

(ii) [Date [Board] approval for issuance of Notes obtained: [●] [and [●], respectively]]  
*(N.B Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)*

14 Method of distribution: [Syndicated/Non-syndicated]

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15 **Fixed Rate Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(i) Rate[(s)] of Interest: [●]% per annum [payable [annually/semi-annually/quarterly/monthly/other (*specify*)]  
[cumulative/non-cumulative] in arrear]

(ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with *[specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"]*]/not adjusted]

[In the event that interest is not payable [or the payment of interest is deferred] pursuant to Condition [3(b)(i)][3(b)(iii)], the Issuer shall notify the Agent no later than [[10] Business Days] [other period] following the day on which the annual accounts for the financial year relating to the relevant Interest Accrual Period have been determined or, if earlier, the day on which the Managing Board (Vorstand) of the Issuer has resolved that no interest is payable [or that the payment of interest has been deferred, as the case may be,] and the Agent shall, without undue delay, notify the Noteholders of the same not later than [[20] Business Days][other period] prior to the relevant Interest Payment Date. Following such notification to Noteholders, no interest or instalment amounts may be paid, until the Noteholders are notified otherwise by the Agent.]

(iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount

(iv) Broken Amount(s): [●] per Calculation Amount payable on Interest Payment Date falling [in/on] [●]

(v) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA) / other]

(vi) Interest Determination Dates: [●] in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)*)

(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/*give details*]



**16 Floating Rate Note Provisions**

[Applicable/Not Applicable]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (i) Interest Period(s): [•]
- (ii) Specified Interest Payment Dates: [•] [In the event that interest is not payable [or the payment of interest is deferred] pursuant to Condition [3(b)(i)][3(b)(iii)], the Issuer shall notify the Agent no later than [[10] Business Days] [other period] following the day on which the annual accounts for the financial year relating to the relevant Interest Accrual Period have been determined or, if earlier, the day on which the Managing Board (Vorstand) of the Issuer has resolved that no interest is payable [or that the payment of interest has been deferred, as the case may be,] and the Agent shall, without undue delay, notify the Noteholders of the same not later than [[20] Business Days][other period] prior to the relevant Interest Payment Date. Following such notification to Noteholders, no interest or instalment amounts may be paid, until the Noteholders are notified otherwise by the Agent.]
- (iii) First Interest Payment Date [•]
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]
- (v) Business Centre(s): [•]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other *(give details)*] [cumulative/non-cumulative]
- (vii) Party responsible for calculating the Rate(s) of interest and Interest Amount(s) (if not the Agent): [•]
- (viii) Screen Rate Determination:
  - Reference Rate: [•]
  - Interest Determination Date(s): [•]
  - Relevant Screen Page: [•]
- (ix) ISDA Determination:
  - Floating Rate Option: [•]
  - Designated Maturity: [•]
  - Reset Date: [•]
- (x) Margin(s): [+/-][•]% per annum
- (xi) Minimum Rate of Interest: [•]% per annum

	(xii) Maximum Rate of Interest:	[•]% per annum
	(xiii) Day Count Fraction:	[•]
	(xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[•]
<b>17</b>	<b>Zero Coupon Note Provisions</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) [Amortisation/Accrual] Yield:	[•]% per annum
	(ii) Reference Price	[•]
	(iii) Any other formula/basis of determining amount payable:	[•]
<b>18</b>	<b>Index-linked Interest Note/other variable-linked Interest Note Provisions</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Index/Formula/Underlying Equit(y)(ies)/Fund(s)/Credit Event(s)/Commodit(y)(ies)/ other variable:	<i>[give or annex details]</i> [cumulative/non-cumulative]
	(ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Agent]):	[•]
	(iii) Provisions for determining Coupon where calculated by reference to Index and/or other variable:	[•]
	(iv) Interest Determination Date(s):	[•]
	(v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	[•]
	(vi) Interest or calculation period(s):	[•]
	(vii) Specified Interest Payment Dates:	[•]
	(viii) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ other <i>(give details)</i> ]
	(ix) Business Centre(s):	[•]
	(x) Minimum Rate/Amount of Interest:	[•]% per annum
	(xi) Maximum Rate/Amount of Interest:	[•]% per annum
	(xii) Day Count Fraction:	[•]

- 19 Dual Currency Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
- (ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Agent]): [•]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [•]
- (iv) Person at whose option Specified Currency(ies) is/are payable: [•]

**PROVISIONS RELATING TO REDEMPTION**

- 20 Call Option** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•]
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [•]
- (b) Maximum Redemption Amount: [•]
- (iv) Notice period: [•]<sup>6</sup>
- (v) Capital Call Redemption Amount [•] *(Tier 1 Notes)*
- (vi) Optional Redemption Amount [•] *(Tier 1 Notes)*
- (vii) Tax Call Redemption Amount [•] *(Tier 1 Notes)*

- 21 Put Option** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•]
- (iii) Notice period: [•]

- 22 Final Redemption Amount of each Note** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- In cases where the Final Redemption Amount is Index-Linked or other variable-linked:
- (i) Index/Formula/other variable: [give or annex details]
- (ii) Party responsible for calculating the Final Redemption Amount (if not the [insert name and address])

- [Agent]):
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [•]
  - (iv) Determination Date(s): [•]
  - (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or Underlying Equit(y)(ies) and/or Fund(s) and/or Credit Event(s) and/or Commodity(y)(ies) and/or other variable is impossible or impracticable or otherwise disrupted: [•]
  - (vi) Payment Date: [•]
  - (vii) Minimum Final Redemption Amount: [•]
  - (viii) Maximum Final Redemption Amount: [•]
- 23 Redemption of Reverse Convertible Notes (Cash-or-Share Notes, Cash-or-Fund Notes, Cash-or-Commodity Notes, Cash-or-Currency Notes, Cash-or-Future Notes)** [Applicable/Not Applicable]  
*(if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Underlying(s): [•] / [other / insert details] [see annex]
  - (ii) Amount of Underlyings to be delivered at Redemption: [[•] for each Note with Specified Denomination]
  - (iii) Exercise Date: [insert or attach details]
  - (iv) Relevant securities exchange(s): [•]
  - (v) Relevant exchange(s): [•]
  - (vi) Relevant options exchange(s): [•]
  - (vii) Market disruption event(s): [Insert details.] *(Only required if additional market disruption events should be inserted.)*
  - (viii) Adjustment event(s): [Insert or attach details.] *(Only required if additional adjustment events should be inserted.)*
- 24 Early Redemption Amount**
- Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): [•]

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 25 Form of Notes: Notes governed by English law:  
Bearer Notes:  
[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]  
[Temporary Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Temporary Global Note]  
[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]  
[Registered Notes]  
Notes governed by Austrian law:  
[Bearer Notes:]  
[Temporary Global Note exchangeable for a Permanent Global Note which is not exchangeable for Definitive Notes]  
[Permanent Global Note not exchangeable for Definitive Notes]  
[Registered Notes]  
[Global Certificate not exchangeable for Registered Notes]  
[to the order of the Registered Holder (*Order-Klausel*)] [*Note: Include only where transfer should be made by endorsement (Indossament) - if not included, transfer is only permissible by assignment*]  
[Registered Notes – limited transferability: holdings represented by a Global Certificate may only be transferred in whole] (eligible only for Series to be offered for subscription to qualified investors (*qualifizierte Anleger*) as defined in sec. 1 (1)(5a) of the Austrian Capital Markets Act (*Kapitalmarktgesetz*))
- 26 New Global Note: [Yes] [No] [*Note that this Programme contemplates that Notes may be issued in NGN form even if they are not intended to be recognised as eligible collateral for Eurosystem marketing policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Before selecting the designation "Yes" consider whether the Issuer does in fact want to issue in NGN form even though the designation "No" will be selected for*]

*Part B – Item 10(vii).]*

- 27** Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable/give details. Note that this item relates to the date and place of payment, and not interest period end dates, to which subparagraphs 15(ii), 16(v) and 18(ix) relate]
- 28** Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
- 29** Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made [and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment]: [Not Applicable/give details]
- 30** Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: [Not Applicable/give details]
- 31** Redenomination, renominalisation and reconventioning provisions: [Not Applicable/The provisions [in Condition ●] apply]
- 32** Consolidation provisions: [Not Applicable/The provisions [in Condition ●] apply]
- 33** Other final terms: [Not Applicable/give details] [(When adding any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]

**DISTRIBUTION**

- 34** (i) If syndicated, names and addresses of Managers and underwriting commitments [Not Applicable/give names addresses and underwriting commitments].  
*(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)*
- (ii) Date of [Subscription] Agreement: [●]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/give name]
- 35** If non-syndicated, name and address of Dealer: [Not Applicable/give name and address]
- 36** Total commission and concession: [●]% of the Aggregate Nominal Amount
- 37** U.S. Selling Restrictions: [Reg. S Compliance Category; TEFRA C/TEFRA D/TEFRA not applicable]
- 38** Non-exempt Offer: [Not Applicable] [An offer of the Notes may be made by the Managers [and [specify, if

*applicable*] other than pursuant to Article 3(2) of the Prospectus Directive in [*specify relevant Member State(s) – which must be jurisdictions where the Prospectus and any supplements have been passported*] ("Public Offer Jurisdictions") [during the period from] [•] [to] [•] [*specify period*] ("Offer Period") [from] [*specify date*]. See further paragraph 11 of Part B below.

- 39 Additional selling restrictions: [Not Applicable/*give details*]
- 40 Jurisdiction and Governing Law: [Austrian/English]
- 41 Binding language [German/English]
- [Alternative language translation, if any is for convenience purposes only/(delete, if not applicable)]
- 42 Domestic or International Notes: [Domestic][International]

### **Purpose of Final Terms**

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdictions] [and] [admission to trading on the] [Vienna Stock Exchange] [Luxembourg Stock Exchange] [*other market*] of the Notes described herein] pursuant to the €30,000,000,000 Debt Issuance Programme of Erste Group Bank AG.

### **Responsibility**

The Issuer accepts responsibility for the information contained in these Final Terms. [*(Relevant third party information)* has been extracted from (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading].

Erste Group Bank AG as the Issuer.

By:  
Authorised Officer

By:  
Authorised Officer

## PART B - OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

(i) Listing: [Vienna/Luxembourg/other (*specify*)/None]  
[Specify market]

(ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the [Vienna Stock Exchange] [Luxembourg Stock Exchange] [with effect from [●]].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the Vienna Stock Exchange] [the Luxembourg Stock Exchange] [with effect from [●]].] [Not Applicable.] [Specify market]

*(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*

### 2. RATINGS

Ratings: The Notes to be issued have been rated:

[S & P: [●]]

[Moody's: [●]]

[Fitch: [●]]

[[Other]: [●]]

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]*

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the programme generally or, where the issue has been specifically rated, that rating.)*

### 3. [NOTIFICATION

The CSSF [has been requested to provide/has provided - include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the [*include names of competent authorities of host Member States*] with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive.]



**4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]**

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

*[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*

**5. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

[(i) Reasons for the offer: [•]  
*(See ["Use of Proceeds"] wording in Prospectus - if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]*

[(ii) Estimated net proceeds: [•]  
*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)]*

[(iii) Estimated total expenses: [•]  
*[Include breakdown of expenses]*  
*(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)\**

**6. [Fixed Rate Notes only - YIELD]**

Indication of yield: [•]  
*[Calculated as [include details of method of calculation in summary form] on the Issue Date.*  
*As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]*

**7. [Floating Rate Notes only - HISTORIC INTEREST RATES**

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]

**8. [Index-linked or Equity-linked or Fund-linked or Credit-linked or Commodity-linked or Future-linked or other variable-linked Notes only - PERFORMANCE OF INDEX/FORMULA/UNDERLYING EQUITY/FUND/CREDIT EVENT/COMMODITY/FUTURE/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

*Need to include details of where past and future performance and volatility of the index/formula/Underlying Equity/Fund/Credit Event/Commodity/Future/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.] [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information. Include other information concerning the underlying required by Paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.]\*]*

*[(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*

*The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained] ] [does not intend to provide post-issuance information]\*.*

**9. [Dual Currency Notes only - PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]\**

*[(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the prospectus under Article 16 of the Prospectus Directive.)]*

**10. OPERATIONAL INFORMATION**

(i) ISIN Code: [•]

(ii) Common Code: [•]

(iii) Clearing system(s)

a) for International Notes: Euroclear Bank S.A./N.V. / Clearstream Banking, Société Anonyme

b) for Domestic Notes: [OeKB]

[OeKB and Euroclear Bank S.A./N.V. / Clearstream Banking, Société Anonyme through an account held with OeKB]

- [Not Applicable/if other Clearing Systems than the above, please insert name(s)]*
- (iv) Delivery: Delivery [against/free of] payment
- (v) Names and addresses of initial Paying Agent(s): [•] *[Paying Agents will either be banks or other entities licensed in the EEA or another market where Erste Group is active to act as paying agents]*
- (vi) Names and addresses of additional Paying Agent(s) (if any): [•] *[Paying Agents will either be banks or other entities licensed in the EEA or another market where Erste Group is active to act as paying agents]*
- (vii) Intended to be held in a manner which would allow Eurosystem eligibility. [Yes][No]  
*[Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. Note also that this Programme contemplates that Notes may be issued in NGN form even if the designation "No" is selected above. See also Part A – Item 25.] [include this text if "yes" selected in which case the Notes must be issued in Eurosystem eligible NGN form.]*

## 11. Terms and Conditions of the Offer

- (i) Offer Price: [Issue Price] *[specify]*
- (ii) Conditions to which the offer is subject: [Not Applicable/*give details*]
- (iii) Time period, including any possible amendments, during which the offer will be open and description of the application process: [Not Applicable/*give details*]
- (iv) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: [Not Applicable/*give details*]
- (v) Details of the minimum and/or maximum amount of application: [Not Applicable/*give details*]
- (vi) Details of the method and time limits for paying up and delivering the Notes: [Not Applicable/*give details*]

- |   |  |
|---|--|
| (vii) Manner in and date on which results of the offer are to be made public:   | [Not Applicable/ <i>give details</i> ] |
| (viii) Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: | [Not Applicable/ <i>give details</i> ] |
| (ix) Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:              | [Not Applicable/ <i>give details</i> ] |
| (x) Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:         | [Not Applicable/ <i>give details</i> ] |
| (xi) Amount of any expenses and taxes specifically charged to the subscriber or purchaser:  | [Not Applicable/ <i>give details</i> ] |
| (xii) Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.              | [None/ <i>give details</i> ]           |

Notes:

- \* *Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.*
- 1 *Notes issued as Pfandbriefe (Mortgage Bonds), Kommunalschuldverschreibungen (Öffentliche Pfandbriefe) or Covered Bonds must be named as such.*
- 2 *Include this legend where a non-exempt offer of Notes is anticipated.*
- 3 *Include this legend where only an exempt offer of Notes is anticipated.*
- 4. *Only include details of a supplement to the Prospectus in which the Conditions have been amended for the purposes of all future issues under the Programme.*
- 5. *Article 14.2 of the Prospectus Directive provides that a Prospectus is deemed available to the public when, inter alia, made available (i) in printed form free of charge at the offices of the market on which securities are being admitted to trading; OR (ii) at the registered office of the Issuer and at the offices of the Paying Agents; OR (iii) in an electronic form on the Issuer's website. Article 16 of the Prospectus Directive requires that the same arrangements are applied to supplement to the prospectuses.*
- 6. *If setting notice periods which are different from those provided in the Terms and Conditions, consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the issuer and the fiscal agent.*

**FORM OF FINAL TERMS  
(ISSUE OF NOTES WITH A DENOMINATION OF AT LEAST €50,000 OR EQUIVALENT)**

**Final Terms dated [●]**

**Erste Group Bank AG**

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]<sup>1</sup>

under the **€30,000,000,000 Debt Issuance Programme**

**PART A - CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the Prospectus dated [●] 200[●] [and the supplement to the Prospectus dated [●] ]<sup>2</sup> which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. The Prospectus [and the supplement to the Prospectus] [is] [are] available for viewing [at website] [and] during normal business hours at [address] [and copies may be obtained from [address]]<sup>3</sup>.

*The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the Prospectus dated [original date] [and the supplement to the Prospectus dated [●]]<sup>2</sup>. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive") and must be read in conjunction with the Prospectus dated [current date] [and the supplement to the Prospectus dated [●]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Prospectus dated [original date] [and the supplement to the Prospectus dated [●]] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectuses dated [original date] and [current date] [and the supplement to the Prospectuses dated [●] and [●]]. The Prospectuses [and the supplement to the Prospectuses] are available for viewing [at [website] [and] during normal business hours at [address] and copies may be obtained from [address]]<sup>3</sup>.

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.]*

*[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.]*

*[In case of Notes linked to hedge funds insert: The Notes economically represent a hedge fund and an investment therefore carries a high degree of risk. Hence only a small part of the disposable funds should be invested into the Notes and not all disposable funds or funds financed by credit should be invested into the Notes. An investment into the Notes will be offered to investors particularly knowledgeable in investment matters. Investors should*

*participate in the investment only if they are in a position to consider carefully the risks associated with the Notes.]*

- |   |  |  |
|---|--|--|
| 1 | Issuer:  | Erste Group Bank AG  |
| 2 | [(i)] Series Number:   | [●]  |
|   | [(ii)] Tranche Number:   | [●]  |
|   | (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).] |  |
| 3 | Specified Currency or Currencies:  | [●]  |
| 4 | Aggregate Nominal Amount of Notes:   | [●]  |
|   | [(i)] Series:  | [●]  |
|   | [(ii)] Tranche:  | [●]  |
| 5 | Issue Price:   | [●]% of the Aggregate Nominal Amount [plus accrued interest from <i>[insert date]</i> (if applicable)]   |
|   |  | <i>[In case of Notes issued as tap issues, insert: Initially [●]% of the Aggregate Nominal Amount and fixed thereafter by the Issuer according to prevailing market conditions]</i>  |
| 6 | (i) Specified Denominations:   | [●]<br>[€50,000 and integral multiples of [€1,000] in excess thereof up to and including [€99,000]. No Notes in definitive form will be issued with a denomination above [€99,000].  |
|   | (ii) Calculation Amount:   | [Specify/Specified Denomination]   |
| 7 | (i) Issue Date:  | [●]  |
|   | (ii) Interest Commencement Date:   | [Specify/Issue Date/Not Applicable]  |
| 8 | Maturity Date:   | [●] [Not applicable (Tier 1 Notes)] <i>[Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]</i>  |
| 9 | Interest Basis:  | [●% Fixed Rate]<br><i>[[specify reference rate] +/- ●% Floating Rate]</i><br>[Zero Coupon]<br>[Index-Linked Interest]<br>[Equity-linked Interest]<br>[Fund-linked Interest]<br>[Credit-linked Interest]<br>[Commodity-linked Interest]<br>[Future-linked Interest]<br>[Other (specify)]<br>(further particulars specified below) |

- 10 Redemption/Payment Basis: [Redemption at par]  
[Index-Linked Redemption]  
[Dual Currency]  
[Partly Paid]  
[Instalment]  
[Reverse Convertible]  
[Other *(specify)*]
- 11 Change of Interest or Redemption/Payment Basis: *[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]*
- 12 Put/Call Options: [Investor Put]  
[Issuer Call]  
[(further particulars specified below)]
- 13 [(i)] Status of the Notes: [Senior/[Dated/Perpetual]/Supplementary Capital/Subordinated Capital/Subordinated Supplementary Capital/Short-term Subordinated Capital/ Tier 1 Capital/Pfandbrief/ Kommunalschuldverschreibung (Öffentlicher Pfandbrief)/Covered Bond (Fundierte Bankschuldverschreibung)]
- [(iii)] [Date [Board] approval for issuance of Notes obtained: [●] [and [●], respectively]]  
*(N.B Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)]*
- 14 Method of distribution: [Syndicated/Non-syndicated]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

- 15 **Fixed Rate Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●]% per annum [payable [annually/semi-annually/quarterly/monthly/other (specify)]  
[cumulative/non-cumulative] in arrear]
- (ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with *[specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"]*]/not adjusted]
- [In the event that interest is not payable [or the payment of interest is deferred] pursuant to Condition [3(b)(i)][3(b)(iii)], the Issuer shall notify the Agent no later than [[10] Business Days] [other period] following the day on which the annual accounts for the financial year relating to the relevant Interest Accrual Period have been determined or, if earlier, the day on which the Managing Board (Vorstand) of the Issuer has resolved that no interest is payable [or that the payment of interest has been deferred, as the

		case may be,] and the Agent shall, without undue delay, notify the Noteholders of the same not later than [[20] Business Days][other period] prior to the relevant Interest Payment Date. Following such notification to Noteholders, no interest or instalment amounts may be paid, until the Noteholders are notified otherwise by the Agent.]
(iii) Fixed Coupon Amount[(s)]:		[●] per Calculation Amount
(iv) Broken Amount(s):		[●] per Calculation Amount payable on Interest Payment Date falling [in/on] [●]
(v) Day Count Fraction:		[30/360/Actual/Actual (ICMA/ISDA)/other]
(vi) Interest Determination Dates:		[●] in each year <i>(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))</i>
(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:		[Not Applicable/ <i>give details</i> ]
<b>16 Floating Rate Note Provisions</b>		[Applicable/Not Applicable] <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i) Interest Period(s):		[●]
(ii) Specified Interest Payment Dates:		[●] [In the event that interest is not payable [or the payment of interest is deferred] pursuant to Condition [3(b)(i)][3(b)(iii)], the Issuer shall notify the Agent no later than [[10] Business Days] [other period] following the day on which the annual accounts for the financial year relating to the relevant Interest Accrual Period have been determined or, if earlier, the day on which the Managing Board (Vorstand) of the Issuer has resolved that no interest is payable [or that the payment of interest has been deferred, as the case may be,] and the Agent shall, without undue delay, notify the Noteholders of the same not later than [[20] Business Days][other period] prior to the relevant Interest Payment Date. Following such notification to Noteholders, no interest or instalment amounts may be paid, until the Noteholders are notified otherwise by the Agent.]
(iii) First Interest Payment Date		[●]
(iv) Business Day Convention:		[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ <i>other (give details)</i> ]
(v) Business Centre(s):		[●]



	(vi) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/other <i>(give details)</i> [cumulative/non-cumulative]
	(vii) Party responsible for calculating the Rate(s) of interest and/or Interest Amount(s) (if not the [Agent]):	[•]
	(viii) Screen Rate Determination:	
	- Reference Rate:	[•]
	- Interest Determination Date(s):	[•]
	- Relevant Screen Page:	[•]
	(ix) ISDA Determination:	
	- Floating Rate Option:	[•]
	- Designated Maturity:	[•]
	- Reset Date:	[•]
	(x) Margin(s):	[+/-][•]% per annum
	(xi) Minimum Rate of Interest:	[•]% per annum
	(xii) Maximum Rate of Interest:	[•]% per annum
	(xiii) Day Count Fraction:	[•]
	(xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[•]
<b>17</b>	<b>Zero Coupon Note Provisions</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) [Amortisation/Accrual] Yield:	[•]% per annum
	(ii) Reference Price:	[•]
	(iii) Any other formula/basis of determining amount payable:	[•]
<b>18</b>	<b>Index-linked Interest Note/other variable-linked interest Note Provisions</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Index/Formula/Other variable:	<i>[give or annex details]</i>
	(ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Agent]):	[•]
	(iii) Provisions for determining Coupon where calculated by	[•]

reference to Index and/or Formula and/or other variable:

(iv) Interest Determination Date(s): [●]

(v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]

(vi) Interest or calculation period(s): [●]

(vii) Specified Interest Payment Dates: [●]

(viii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]

(ix) Business Centre(s): [●]

(x) Minimum Rate/Amount of Interest: [●]% per annum

(xi) Maximum Rate/Amount of Interest: [●]% per annum

(xii) Day Count Fraction: [●]

**19 Dual Currency Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(i) Rate of Exchange/method of calculating Rate of Exchange: [*give details*]

(ii) Party, if any, responsible for calculating the principal and/or interest due (if not the [Agent]): [●]

(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]

(iv) Person at whose option Specified Currency(ies) is/are payable: [●]

**PROVISIONS RELATING TO REDEMPTION**

**20 Call Option** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(i) Optional Redemption Date(s): [●]

(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●]

- (iii) If redeemable in part:
  - (a) Minimum Redemption Amount: [●]
  - (b) Maximum Redemption Amount: [●]
  - (iv) Notice period: [●]<sup>4</sup>
  - (v) Capital Call Redemption Amount: [●] *(Tier 1 Notes)*
  - (vi) Optional Redemption Amount: [●] *(Tier 1 Notes)*
  - (vii) Tax Call Redemption Amount: [●] *(Tier 1 Notes)*
- 21 Put Option** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
  - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●]
  - (iii) Notice period: [●]
- 22 Final Redemption Amount of each Note**
- In cases where the Final Redemption Amount is Index-Linked or other variable-linked: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Index/Formula/other variable: *[give or annex details]*
  - (ii) Party responsible for calculating the Final Redemption Amount (if not the [Agent]): *[insert name and address]*
  - (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [●]
  - (iv) Determination Date(s): [●]
  - (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
  - (vi) Payment Date:
  - (vii) Minimum Final Redemption Amount: [●]
  - (viii) Maximum Final Redemption Amount: [●]

- Amount:
- 23 **Redemption of Reverse Convertible Notes (Cash-or-Share Notes, Cash-or-Fund Notes, Cash-or-Commodity Notes, Cash-or-Currency Notes, Cash-or-Future Notes)** [Applicable/Not Applicable]  
*(if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Underlying(s): [●] / [other / *insert details*] [see annex]
- (ii) Amount of Underlyings to be delivered at Redemption: [[●] for each Note with Specified Denomination]
- (iii) Exercise Date: [*insert or attach details*]
- (iv) Relevant securities exchange(s): [●]
- (v) Relevant exchange(s): [●]
- (vi) Relevant options exchange(s): [●]
- (vii) Market disruption event(s): [Insert details.] (*Only required if additional market disruption events should be inserted.*)
- (viii) Adjustment event(s): [Insert or attach details.] (*Only required if additional adjustment events should be inserted.*)

24 **Early Redemption Amount**

Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

- 25 Form of Notes: Notes governed by English law:  
 Bearer Notes:  
 [Temporary Global Note exchangeable for Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]  
 [Temporary Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Temporary Global Note]  
 [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]  
 [[Temporary Global Note]/[Permanent Global Note] exchangeable for Definitive Notes if the [Temporary Global Note]/[Permanent Global Note]

is held on behalf of Euroclear or Clearstream Luxembourg or any other clearing system (an "Alternative Clearing System") and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so or if the principal in respect of any Notes is not paid when due, by the holder giving notice to the Fiscal Agent of its election for such exchange]

[Registered Notes]

Notes governed by Austrian law:

[Bearer Notes:]

[Temporary Global Note exchangeable for a Permanent Global Note which is not exchangeable for Definitive Notes]

[Permanent Global Note not exchangeable for Definitive Notes]

[Registered Notes:]

[Global Certificate not exchangeable for Registered Notes]

[to the order of the Registered Holder (*Order-Klausel*)] [*Note: Include only where transfer should be made by endorsement (Indossament) - if not included, transfer is only permissible by assignment*]

[Registered Notes – limited transferability: holdings represented by a Global Certificate may only be transferred in whole]

26 New Global Note

[Yes] [No] [*Note that this Programme Contemplates that Notes may be issued in NGN Form even if they re not intended to be recognised as eligible collateral for Eurosystem marketing policy and intra-day credit operations by Eurosystem either upon issue or at any or all times during their life. Before selecting the designation "Yes" consider whether the Issuer does in fact want to issue in NGN Form even though the designation "No" will be selected for Part B – Item 9(vii)*]

27 Financial Centre(s) or other special provisions relating to Payment Dates:

[Not Applicable/*give details. Note that this item relates to the date and place of payment, and not interest period end dates, to which items 15(ii), 16(v) and 18(ix) relates*]

28 Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on

[Yes/No. *If yes, give details*]

- which such Talons mature):
- 29 Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/*give details*]
- 30 Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: [Not Applicable/*give details*]
- 31 Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition •] apply]
- 32 Consolidation provisions: [Not Applicable/The provisions [in Condition •] apply]
- 33 Other final terms: [Not Applicable/*give details*]  
*(When adding any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)*

#### DISTRIBUTION

- 34 (i) If syndicated, names of Managers [Not Applicable/*give names*]  
(ii) Stabilising Manager(s) (if any): [Not Applicable/*give name*]
- 35 If non-syndicated, name of Dealer: [Not Applicable/*give name*]
- 36 U.S. Selling Restrictions [Reg S Compliance Category, TEFRA C/TEFRA D/TEFRA not applicable]
- 37 Additional selling restrictions: [Not Applicable/*give details*]
- 38 Jurisdiction and Governing Law: [Austrian/English]
- 39 Binding language: [German/English]  
[Alternative language translation, if any, is for convenience purposes only/(delete, if not applicable)]
- 40 Domestic or International Notes [Domestic][International]

#### PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the [Vienna Stock Exchange] [Luxembourg Stock Exchange] [*other market*] of the Notes described herein pursuant to the €30,000,000,000 Debt Issuance Programme of Erste Group Bank AG.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [(*Relevant third party information*) has been extracted from (*specify source*)]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Erste Group Bank AG as the Issuer.

By:

Authorised Officer

By:

Authorised Officer

## PART B - OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the [Vienna Stock Exchange] [Luxembourg Stock Exchange] [with effect from [●]].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading [specify relevant regulated market] [with effect from [ ]]].] [Not applicable].

*(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*

- (ii) [Estimate of total expenses related to admission to trading:\*] [●]

### 2. RATINGS

Ratings: The Notes to be issued have been rated.

[S & P: [●]]

[Moody's: [●]]

[[Fitch: [●]]

[[Other]: [●]]

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the programme generally, or where the issue has been specifically rated, that rating)*

### 3. [NOTIFICATION]

The CSSF [has been requested to provide/has provided - include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the [include names of competent authorities of host Member States] with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive.]

### 4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

["Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."]



*[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*

**5. [REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

- [(i) Reasons for the offer: [•]  
*(See "Use of Proceeds" wording in Prospectus - if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]*
- [(ii) Estimated net proceeds: [•]  
*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)]*
- [(iii) Estimated total expenses: [•]  
*(If the Notes are derivative securities for which Annex XII of the Prospectus Directive Regulation applies it is] only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)]\**

**6. [Fixed Rate Notes only - YIELD**

- Indication of yield: [•]  
The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

**7. [Index-linked or Equity-linked or Fund-linked or Credit-linked or Commodity-linked or Future-linked or other variable-linked Notes only - PERFORMANCE OF INDEX/FORMULA/UNDERLYING EQUITY/FUND/CREDIT EVENT/COMMODITY/FUTURE/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

*Need to include details of where past and future performance and volatility of the index/formula/Underlying Equity/Fund/Credit Event/Commodity/Future/other variable can be obtained. Where the underlying is an index, need to include the name of the index and a description if composed by the Issuer, and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information. Include other information concerning the underlying required by Paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.]\**

*[When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement of the Prospectus under Article 16 of the Prospectus Directive.]*

*The Issuer [intends to provide post-issuance information [specify what information and where it can be obtained]] [does not intend to provide post-issuance information]\*.*

**8. [Dual Currency Notes only - PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained.\**

*[(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive).]*

**9. OPERATIONAL INFORMATION**

- |   |  |
|---|--|
| (i) ISIN Code:  | [•]  |
| (ii) Common Code:   | [•]  |
| (iii) Clearing system(s)  |  |
| a) for International Notes:   | Euroclear Bank S.A./N.V./Clearstream Banking, Société Anonyme  |
| b) for Domestic Notes:  | [OeKB]<br>[OeKB and Euroclear Bank S.A./N.V./Clearstream Banking, Société Anonyme through an account held with OeKB]<br><i>[Not Applicable/if other Clearing Systems than the above, please insert name(s)]</i>  |
| (iv) Delivery:  | Delivery [against/free of] payment   |
| (v) Names and addresses of initial Paying Agent(s):                             | [•] <i>[Paying Agents will either be banks or other entities licensed in the EEA or another market where Erste Group is active to act as paying agents]</i>  |
| (vi) Names and addresses of additional Paying Agent(s) (if any):                | [•] <i>[Paying Agents will either be banks or other entities licensed in the EEA or another market where Erste Group is active to act as paying agents]</i>  |
| (vii) Intended to be held in a manner which would allow Eurosystem eligibility. | [Yes][No] <i>[Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem, either upon issue, or at any or all times]</i> |

during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] [include this text if "yes" selected, in which case the Notes must be issued in Eurosystem eligible NGN form.]

Notes:

- \* *Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.*
- 1 *Notes issued as Pfandbriefe (Mortgage Bonds), Kommunalschuldverschreibungen (Öffentliche Pfandbriefe) (Public-Sector Covered Bonds) or Covered Bonds must be named as such.*
- 2. *Only include details of a supplement to the Prospectus in which the Conditions have been amended for the purposes of all future issues under the Programme.*
- 3. *Article 14.2 of the Prospectus Directive provides that a Prospectus is deemed available to the public when, inter alia, made available (i) in printed form free of charge at the offices of the market on which securities are being admitted to trading; OR (ii) at the registered office of the Issuer and at the offices of the Paying Agents; OR (iii) in an electronic form on the Issuer's website. Article 16 of the Prospectus Directive requires that the same arrangements are applied to supplement to the prospectuses.*
- 4. *If setting notice periods which are different from those provided in the Terms and Conditions, consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the issuer and the fiscal agent.*

**GERMAN TRANSLATION OF FORMS OF FINAL TERMS  
(ISSUE OF NOTES WITH A DENOMINATION OF LESS THAN €50,000 OR EQUIVALENT)**

**FORMULAR FÜR ENDGÜLTIGE BEDINGUNGEN FÜR**

EMISSIONEN VON SCHULDVERSCHREIBUNGEN MIT EINER STÜCKELUNG VON  
WENIGER ALS €50.000 ODER DEM GEGENWERT

**Endgültige Bedingungen vom [●]**

**Erste Group Bank AG**

Emission von [Gesamtnominale der Tranche] [Name der Schuldverschreibungen]<sup>1</sup>

unter dem

**€30,000,000,000 Debt Issuance Programme**

[Der unten genannte Prospekt (wie durch diese Endgültigen Bedingungen vervollständigt) wurde auf der Grundlage angefertigt, dass, ausgenommen wie in Unterpunkt (ii) unten genannt, jedes Angebot von Schuldverschreibungen in einem Mitgliedstaat des Europäischen Wirtschaftsraumes, der die Prospektrichtlinie (2003/71/EG) umgesetzt hat (jeweils ein "Relevanter Mitgliedstaat") gemäß einer Ausnahme vom Erfordernis der Veröffentlichung eines Prospektes für das Angebot der Schuldverschreibungen gemäß der Prospektrichtlinie, wie im "Relevanten Mitgliedstaat" umgesetzt, erfolgt. Dementsprechend darf eine Person, die ein Angebot der Schuldverschreibungen macht oder plant, dies nur tun:

(i) in Umständen, in denen keine Verpflichtung für die Emittentin oder einen Dealer besteht, einen Prospekt gemäß Artikel 3 der Prospektrichtlinie zu veröffentlichen oder einen Nachtrag zu einem Prospekt gemäß Artikel 16 der Prospektrichtlinie zu erstellen, jeweils für solch ein Angebot; oder

(ii) in jenen Jurisdiktionen, in denen ein öffentliches Angebot erfolgt, die in Punkt 38 von Teil A unten genannt sind, vorausgesetzt die Person ist eine der in Punkt 38 von Teil A unten genannten Personen und dieses Angebot wird, während der dort für diese Zwecke genannten Angebotsfrist gemacht.

Weder die Emittentin noch ein Dealer haben der Stellung eines Angebotes von Schuldverschreibungen in anderen Umständen zugestimmt.<sup>2</sup>

[Der unten genannte Prospekt (wie durch diese Endgültigen Bedingungen vervollständigt) wurde auf der Grundlage angefertigt, dass jedes Angebot von Schuldverschreibungen in einem Mitgliedstaat des Europäischen Wirtschaftsraumes, der die Prospektrichtlinie (2003/71/EG) umgesetzt hat (jeweils ein "Relevanter Mitgliedstaat") gemäß einer Ausnahme vom Erfordernis der Veröffentlichung eines Prospektes für das Angebot der Schuldverschreibungen gemäß der Prospektrichtlinie, wie im Relevanten Mitgliedstaat umgesetzt, erfolgt. Dementsprechend darf eine Person, die ein Angebot der Schuldverschreibungen macht oder plant, dies nur in Umständen tun, in denen keine Verpflichtung für die Emittentin oder einen Dealer entsteht, einen Prospekt gemäß Artikel 3 der Prospektrichtlinie zu veröffentlichen oder einen Nachtrag zu einem Prospekt gemäß Artikel 16 der Prospektrichtlinie zu erstellen, jeweils für solch ein Angebot. Weder die Emittentin noch ein Dealer haben der Stellung eines Angebotes von Schuldverschreibungen in anderen Umständen zugestimmt.]<sup>3</sup>

**TEIL A - VERTRAGLICHE BEDINGUNGEN**

Hierin verwendete Ausdrücke gelten als definiert wie in den Emissionsbedingungen (die "Emissionsbedingungen") des Prospekts vom [●] 200[●] vorgesehen [und dem Nachtrag zum

Prospekt vom [●]] der [die] [gemeinsam]<sup>4</sup> einen Basisprospekt für die Zwecke der Prospektrichtlinie (Richtlinie 2003/71/EG) darstell(t)(en) (die "Prospektrichtlinie"). Dieses Dokument stellt die Endgültigen Bedingungen der Schuldverschreibungen in Übereinstimmung mit Punkt 5.4 der Prospektrichtlinie dar und muss in Verbindung mit diesem Prospekt [samt Nachtrag] gelesen werden. Eine vollständige Information über die Emittentin und das Angebot der Schuldverschreibungen ist nur durch Kombination dieser Endgültigen Bedingungen mit dem Prospekt [samt Nachtrag] möglich. Der Prospekt [und der Nachtrag] [ist] [sind] [auf [Website]] [und] während normaler Geschäftszeiten bei [Adresse] einsehbar und Kopien können bei [Adresse] bezogen werden.<sup>5</sup>

*Die folgende alternative Textversion ist anwendbar, wenn die erste Tranche einer Emission, die unter einem Prospekt mit früherem Datum begeben wurde, aufgestockt wird.*

Hierin verwendete Ausdrücke gelten als definiert wie in den Emissionsbedingungen (die "Emissionsbedingungen") des Prospekts vom [Originaldatum] [und des Nachtrages vom [●]]<sup>4</sup> vorgesehen. Dieses Dokument stellt die Endgültigen Bedingungen der Schuldverschreibungen in Übereinstimmung mit Punkt 5.4 der Prospektrichtlinie (Richtlinie 2003/71/EG) (die "Prospektrichtlinie") dar und muss in Verbindung mit dem Prospekt vom [aktuelles Datum] [und dem Nachtrag vom [●]] gelesen werden, [der] [die] [gemeinsam] einen Basisprospekt für Zwecke der Prospektrichtlinie darstell(t)(en), ausgenommen die Emissionsbedingungen, die dem Prospekt vom [Originaldatum] [und dem Nachtrag vom [●]] entnommen wurden und hier angeschlossen sind. Eine vollständige Information über die Emittentin und das Angebot der Schuldverschreibungen ist nur durch Kombination dieser Endgültigen Bedingungen mit dem Prospekt vom [Originaldatum] und vom [aktuelles Datum] [und den Nachträgen vom [●] und vom [●]] möglich. Die Prospekte [und die Nachträge] sind unter [Website] [und] während normaler Geschäftszeiten bei [Adresse] einsehbar und Kopien können bei [Adresse] bezogen werden.<sup>5</sup>

*[Was im Folgenden anwendbar ist, ist einzufügen oder als "Nicht Anwendbar" (N/A) zu bezeichnen. Es ist zu beachten, dass die Nummerierung wie unten dargestellt bestehen bleiben sollte, selbst wenn "Nicht Anwendbar" für einzelne Absätze oder Unterabsätze anwendbar ist. Kursive Schrift kennzeichnet Anleitungen, wie die Endgültigen Bedingungen fertig zu stellen sind.]*

*[Wenn Endgültige Bedingungen ausgefüllt werden, oder andere endgültige Bedingungen oder Informationen hinzugefügt werden, sollte erwogen werden, ob solche neue Bedingungen oder Informationen "wichtige neue Umstände" darstellen und somit einen Nachtrag zum Prospekt gemäß Artikel 16 der Prospektrichtlinie erforderlich machen.]*

*[Bei Schuldverschreibungen die an einen Hedge Fonds gebunden sind, einfügen: Die Schuldverschreibungen bilden wirtschaftlich einen Hedge Fonds ab und ein Investment stellt eine sehr riskante Vermögensveranlagung dar. Es sollte von Anlegern daher nur ein kleiner Teil des frei verfügbaren Vermögens in derartige Produkte investiert werden, keinesfalls jedoch das ganze Vermögen oder per Kredit aufgenommene Mittel. Die Schuldverschreibungen werden Anlegern angeboten, die besondere Kenntnis von Investmentangelegenheiten haben, Investoren sollten nur an dem Investment teilnehmen, wenn sie in der Lage sind, die mit den Schuldverschreibungen verbundenen Risiken sorgfältig abzuschätzen.]*

*[Wenn Schuldverschreibungen an Konsumenten vertrieben werden, einfügen: Investoren werden darauf hingewiesen, dass die Bedingungen der Schuldverschreibungen nur der Emittentin ein Recht auf vorzeitige Rückzahlung gewähren, und dass die Inhaber der Schuldverschreibungen eine höhere Rendite auf ihre Schuldverschreibungen erhalten, als wenn sie ebenfalls ein vorzeitiges Rückzahlungsrecht eingeräumt erhalten würden. Der Ausschluss des vorzeitigen Rückzahlungsrechtes durch die Inhaber der Schuldverschreibungen ist eine Voraussetzung dafür, dass die Emittentin ihr Risiko aus den Schuldverschreibungen absichern kann. Daher würde die Emittentin, wenn das vorzeitige Rückzahlungsrecht der Inhaber der Schuldverschreibungen nicht ausgeschlossen würde, die*

*Schuldverschreibungen entweder gar nicht begeben oder die Emittentin würde die voraussichtlichen Kosten für die Auflösung des Absicherungsgeschäftes in den Rückzahlungsbetrag der Schuldverschreibungen einberechnen und so die Rendite der Investoren verringern. Investoren sollten daher sorgfältig überlegen, ob sie meinen, dass dieses vorzeitige Rückzahlungsrecht, das nur der Emittentin gewährt wird, für sie nachteilig ist und sollten, wenn sie dieser Ansicht sind, nicht in die Schuldverschreibungen investieren.]*

- |          |  |   |
|----------|--|---|
| <b>1</b> | Emittentin   | Erste Group Bank AG   |
| <b>2</b> | [(i)] Seriennummer:  | [●]   |
|          | [(ii)] Tranchennummer:   | [●]   |
|          | (Falls zusammengefasst mit einer bereits bestehenden Serie, Details dieser Serie, einschließlich dem Datum an dem die Schuldverschreibungen fungibel werden, einfügen).] |   |
| <b>3</b> | Festgesetzte Währung(en):  | [●]   |
| <b>4</b> | Gesamtnominalbetrag:   | [●]   |
|          | [(i)] Serie:   | [●]   |
|          | [(ii)] Tranche:  | [●]   |
| <b>5</b> | Emissionspreis:  | [●] Prozent des Gesamtnominalbetrages [zuzüglich angefallener Zinsen ab dem <i>[Datum einsetzen]</i> (falls anwendbar)<br><br>[Im Fall von Schuldverschreibungen, die als Daueremission begeben werden, einfügen: Anfänglich [●] Prozent des Gesamtnominalbetrages, danach wie von der Emittentin gemäß jeweils herrschenden Marktbedingungen festgelegt] |
| <b>6</b> | (i) Festgelegte Stückelung:  | [●]   |
|          | (ii) Rechnungsbetrag:  | [angeben / Festgelegte Stückelung]  |
| <b>7</b> | [(i)] Ausgabebetrag:   | [●]   |
|          | [(ii)] Zinsbeginnstag:   | [angeben / Ausgabebetrag / Nicht anwendbar]   |
| <b>8</b> | Tilgungstag:   | [●] [Nicht anwendbar (Tier 1 Schuldverschreibungen)] <i>[Datum einfügen oder (für variabel verzinsliche Schuldverschreibungen) Zinszahlungstag, der in den oder am nächsten zu dem relevanten Monat oder Jahr fällt]</i>  |
| <b>9</b> | Basis für die Zinsen:  | [● Prozent fester Zinssatz]<br>[[Referenzsatz einfügen] +/- ● Prozent variabler Zinssatz]<br>[Nullkupon]<br>[indexgebundene Verzinsung]<br>[aktiengebundene Verzinsung]   |

		[fondsgebundene Verzinsung] [kreditgebundene Verzinsung] [rohstoffgebundene Verzinsung] [futuregebundene Verzinsung] [Andere ( <i>spezifizieren</i> )] (weitere Besonderheiten sind nachstehend angeführt)
10	Tilgungs-/Zahlungsbasis:	[Tilgung zum Nennbetrag] [Indexgebundene Tilgung] [Doppelwährung] [Teileingezahlt] [Teilzahlung] [Reverse Convertible] [Andere ( <i>spezifizieren</i> )]
11	Änderung der Zins- oder der Tilgungs- /Zahlungsbasis:	[ <i>Details über die Wandlung der Schuldverschreibungen auf eine andere Zins- oder Tilgungs-/Zahlungsbasis angeben</i> ]
12	Wahlrechte:	[Gläubiger] [Emittentin] [(weitere Einzelheiten unterhalb angeführt)]
13	(i) Rang der Schuldverschreibungen:	[[Nicht-nachrangig / [befristet/ewig] / Ergänzungskapital / Nachrangiges Kapital / Nachrangiges Ergänzungskapital / Kurzfristiges Nachrangiges Kapital / Tier 1 Kapital / Pfandbrief / Kommunalschuldverschreibung (Öffentlicher Pfandbrief) / fundierte Bankschuldverschreibung]
	(ii) [Datum des Genehmigungsbeschlusses des [Vorstands] für die Begebung der Schuldverschreibungen:	[●] [und [●]] ( <i>N.B. Nur relevant, wenn ein Genehmigungsbeschluss des Vorstands (oder eines ähnlichen Gremiums) verpflichtend für die Begebung der jeweiligen Tranche der Schuldverschreibungen ist</i> )
14	Vertriebsmethode:	[syndiziert / nicht syndiziert]

#### **BESTIMMUNGEN BETREFFEND DEN ZAHLBAREN ZINSSATZ (WENN ANWENDBAR)**

15	Bestimmungen für feste Verzinsung	[Anwendbar/Nicht anwendbar] ( <i>Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen</i> )
	(i) Zinssatz / Zinssätze:	[●] Prozent per annum [zahlbar [jährlich/ halbjährlich/quartalsweise/monatlich/anders ( <i>angeben</i> )] [kumulativ/ nicht kumulativ] im nachhinein]
	(ii) Zinszahlungstag(e):	[●] in jedem Jahr [angepasst in Übereinstimmung mit [ <i>Business Day Convention und anwendbare(s) Geschäftszentr(en)(um)</i> <i>einfügen für die Definition von</i>

		"Geschäftstag"/nicht angepasst]
		[Für den Fall, dass Zinsen nicht zahlbar sind [oder die Zahlung von Zinsen verschoben wird] gemäß Bestimmung [3(b)(i)][3(b)(iii)], verständigt die Emittentin den Agenten nicht später als [[10] Geschäftstage] [anderer Zeitraum] nach dem Tag, an dem die Jahresabschlüsse für das Geschäftsjahr, welches sich auf die maßgebliche Zinslaufperiode bezieht, festgestellt wurden, oder, wenn früher, der Tag, an dem der Vorstand der Emittentin beschlossen hat, dass keine Zinsen zahlbar sind [oder dass die Zahlung von Zinsen verschoben wird, je nachdem], und der Agent wird die Gläubiger der Schuldverschreibung ohne unangemessenen Verzug, nicht später als [[20] Geschäftstage] [anderer Zeitraum] vor dem maßgeblichen Zinszahlungstag verständigen.] Nach einer solchen Verständigung der Gläubiger der Schuldverschreibung ist keine Zahlung von Zinsen oder Teilzahlungsbeträgen zulässig, bis die Gläubiger der Schuldverschreibung vom Agenten anderweitig verständigt werden.]
	(iii) Festzinssatzbetr(ag)(äge):	[●] pro Rechnungsbetrag
	(iv) Bruchteilbetr(ag)(äge):	[●] pro Rechnungsbetrag, zahlbar am Zinszahlungstag, der [in/auf] [●] fällt.
	(v) Zinstagequotient:	[30/360 / Actual/Actual (ICMS/ISMA) / andere]
	(vi) Zinsfestlegungstag(e):	[●] jährlich (die regulären Zinszahlungstage einfügen, wobei der Ausgabetag und der Tilgungstag im Fall eines langen oder kurzen ersten oder letzten Kupons außer Acht zu lassen sind. N.B.: nur relevant, wenn der Zinstagequotient Actual/Actual (ICMA) ist.)
	(vii) Andere Bedingungen, die sich auf die Methode der Zinsberechnung für Festverzinsliche Schuldverschreibungen beziehen:	[Nicht anwendbar / Einzelheiten anführen]
16	<b>Bestimmungen für variable Verzinsung</b>	[Anwendbar/Nicht anwendbar] (Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen)
	(i) Zinsperiode(n):	[●]
	(ii) Bestimmte Zinszahlungstage:	[●][Für den Fall, dass Zinsen nicht zahlbar sind [oder die Zahlung von Zinsen verschoben wird] gemäß Bestimmung [3(b)(i)][3(b)(iii)], verständigt die Emittentin den Agenten nicht später als [[10]



- Geschäftstage] [anderer Zeitraum] nach dem Tag, an dem die Jahresabschlüsse für das Geschäftsjahr, welches sich auf die maßgebliche Zinslaufperiode bezieht, festgestellt wurden, oder, wenn früher, der Tag, an dem der Vorstand der Emittentin beschlossen hat, dass keine Zinsen zahlbar sind [oder dass die Zahlung von Zinsen verschoben wird, je nachdem], und der Agent wird die Gläubiger der Schuldverschreibung ohne unangemessenen Verzug, nicht später als [[20] Geschäftstage] [anderer Zeitraum] vor dem maßgeblichen Zinszahlungstag verständigen.] Nach einer solchen Verständigung der Gläubiger der Schuldverschreibung ist keine Zahlung von Zinsen oder Teilzahlungsbeträgen zulässig, bis die Gläubiger der Schuldverschreibung vom Agenten anderweitig verständigt werden.]
- (iii) Erster Zinszahlungstag: [●]
- (iv) Business Day Convention: [Floating Rate Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention / andere (*Einzelheiten anführen*)]
- (v) Geschäftszentren: [●]
- (vi) Art und Weise, in der die Zinssätze festgesetzt werden: [Bildschirmseitenfeststellung / ISDA Feststellung / andere (*Einzelheiten anführen*)]  
[kumulativ/nicht-kumulativ]
- (vii) Für die Berechnung der Zinssätze und der Zinsbeträge zuständige Stelle (wenn nicht die [Stelle]): [●]
- (viii) Bildschirmseitenfeststellung:
- Referenzzinssatz: [●]
  - Zinsfestlegungstag(e): [●]
  - Maßgebliche Bildschirmseite: [●]
- (ix) ISDA Festsetzung:
- Floating Rate Option: [●]
  - Designated Maturity: [●]
  - Reset Date: [●]
- (x) Marge(n): [+/-] [●] Prozent per annum

- (xi) Minimum-Zinssatz: [●] Prozent per annum
- (xii) Maximal-Zinssatz: [●] Prozent per annum
- (xiii) Zinstagequotient: [●]
- (xiv) Auffangbestimmungen, Rundungsbestimmungen, Stückelungs- und andere Bestimmungen, die sich auf die Methode der Zinsberechnung von variabel verzinslichen Schuldverschreibungen beziehen, wenn diese anders sind, als in den Bedingungen vorgesehen: [●]
- 17 Nullkupon-Schuldverschreibungen** [Anwendbar/Nicht anwendbar]  
*(Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen)*
- (i) [Amortisations-/Zuwachs-] Rendite: [●] Prozent per annum
- (ii) Referenzpreis: [●]
- (iii) Andere Formel / Basis zur Festsetzung des zahlbaren Betrages: [●]
- 18 Schuldverschreibungen mit indexgebundener Verzinsung / andere Schuldverschreibungen mit variabel-gebundener Verzinsung** [Anwendbar/Nicht anwendbar]  
*(Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen)*
- (i) Index / Formel / Basiswertaktie(n) / Basiswertfond(s) / Kreditereignis / Basiswert-Rohstoff / andere Variable: [Einzelheiten angeben oder anfügen]  
 [kumulativ / nicht-kumulativ]
- (ii) Stelle die für die Berechnung der Zinssätze und/oder Zinsbeträge zuständig ist (wenn nicht die [Stelle]): [●]
- (iii) Bestimmungen für die Festsetzung des Kupons, wenn dieser durch Bezugnahme auf einen Index und/oder eine andere Variable berechnet wird: [●]
- (iv) Zinsfestlegungstag(e): [●]
- (v) Bestimmungen über die [●]

Festsetzung des Kupons, wenn die Berechnung durch Bezugnahme auf einen Index und/oder eine Formel und/oder eine andere Variable unmöglich oder unpraktikabel ist oder auf andere Weise beeinträchtigt wird:

- (vi) Zins- oder Berechnungsperiode(n): [●]
- (vii) Zinszahlungstage: [●]
- (viii) Business Day Convention: Floating Rate Convention / Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention / andere (*Einzelheiten anführen*)
- (ix) Geschäftszentren: [●]
- (x) Minimalzinssatz/-zinsbetrag: [●] Prozent per annum
- (xi) Maximalzinssatz/-zinsbetrag: [●] Prozent per annum
- (xii) Zinstagequotient: [●]

**19 Doppelwährungs-Schuldverschreibungen** [Anwendbar/Nicht anwendbar]  
*(Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen)*

- (i) Wechselkurs / Methode zur Berechnung des Wechselkurses: [Einzelheiten anführen]
- (ii) Stelle, die für die Berechnung der Zinssätze und / oder Zinsbeträge zuständig ist (wenn nicht die [Stelle]): [●]
- (iii) Bestimmungen, die anwendbar sind, wenn die Berechnung durch Bezugnahme auf einen Wechselkurs unmöglich oder unpraktikabel ist: [●]
- (iv) Person nach deren Wahlrecht die Festgesetzte(n) Währung(en) zahlbar ist/ sind: [●]

**BESTIMMUNGEN BETREFFEND DIE TILGUNG**

**20 Wahlrecht der Emittentin** [Anwendbar/Nicht anwendbar]  
*(Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen)*

- (i) Optionale(r) Tilgungstag(e): [●]
  - (ii) Optionale(r) Tilgungsbetrag (-beträge) jeder Schuldverschreibung und Methode, falls vorhanden, der Berechnung dieses Betrages (solcher Beträge): [●]
  - (iii) Wenn teilweise tilgbar:
    - (a) Minimaler Tilgungsbetrag: [●]
    - (b) Maximaler Tilgungsbetrag: [●]
  - (iv) Mitteilungszeitraum: [●]<sup>6</sup>
  - (v) Betrag bei Tilgung aus Anrechenbarkeitsgründen: [●] (*Tier 1 Schuldverschreibungen*)
  - (vi) Wahltilgungsbetrag: [●] (*Tier 1 Schuldverschreibungen*)
  - (vii) Betrag bei Tilgung aus steuerlichen Gründen: [●] (*Tier 1 Schuldverschreibungen*)
- 21 Wahlrecht der Gläubiger** [Anwendbar/Nicht anwendbar]  
(*Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen*)
- (i) Optionale(r) Tilgungstag(e): [●]
  - (ii) Optionale(r) Tilgungsbetrag (-beträge) jeder Schuldverschreibung und Methode, falls vorhanden, der Berechnung dieses Betrages (solcher Beträge): [●]
  - (iii) Mitteilungszeitraum: [●]
- 22 Endgültiger Tilgungsbetrag jeder Schuldverschreibung**
- In Fällen, in denen der Endgültige Tilgungsbetrag indexgebunden oder anders variabel-gebunden ist: [Anwendbar/Nicht anwendbar]  
(*Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen*)
- (i) Index / Formel / andere Variable: [Einzelheiten einfügen oder anfügen]
  - (ii) Stelle, die für die Berechnung der Zinssätze und/oder Zinsbeträge zuständig ist (wenn nicht die [Stelle]): [*Name und Adresse einfügen*]
  - (iii) Bestimmungen für die Festsetzung des Endgültigen Tilgungsbetrages, wenn [●]

	dieser durch Bezugnahme auf einen Index und/oder eine Formel und/oder andere Variable berechnet wird:	
(iv)	Feststellungstag(e):	[●]
(v)	Bestimmungen für die Festsetzung des Endgültigen Tilgungsbetrages, wenn dieser durch Bezugnahme auf einen Index und/oder eine Formel und/oder Basiswertaktie(n) und/oder Basiswertfond(s) und/oder Kreditereignis(se) und/oder Basiswert-Rohstoff und/oder andere Variable unmöglich oder unpraktikabel ist oder auf andere Weise beeinträchtigt wird:	[●]
(vi)	Zahlungstag:	[●]
(vii)	Minimaler Endgültiger Tilgungsbetrag:	[●]
(viii)	Maximaler Endgültiger Tilgungsbetrag:	[●]
<b>23</b>	<b>Tilgung von Reverse Convertible Schuldverschreibungen (Aktienanleihen, Fondsanleihen, Warenanleihen, Währungsanleihen, Futureanleihen)</b>	[Anwendbar/Nicht anwendbar] <i>(Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen)</i>
(i)	Basiswert(e):	[●] / [andere / Einzelheiten einfügen] [siehe Anhang]
(ii)	Anzahl der bei Tilgung zu liefernden Basiswerte:	[[●] je Schuldverschreibung pro festgelegter Stückelung]
(iii)	Ausübungstag:	[Einzelheiten anführen oder beifügen.]
(iv)	Maßgebliche Wertpapierbörse(n):	[●]
(v)	Maßgebliche Börse(n):	[●]
(vi)	Maßgebliche Optionenbörse(n):	[●]
(vii)	Marktstörung(en):	[Einzelheiten einfügen.] <i>(Nur erforderlich, wenn zusätzliche Marktstörungen aufgenommen werden sollen.)</i>
(viii)	Anpassungsereignis(se):	[Einzelheiten anführen oder beifügen.] <i>(Nur erforderlich, wenn zusätzliche Anpassungsereignisse aufgenommen werden)</i>

sollen.)

**24 Vorzeitiger Tilgungsbetrag**

Der Vorzeitige Tilgungsbetrag einer Schuldverschreibung, der bei Tilgung aus steuerlichen Gründen oder bei Verzug oder bei anderer vorzeitiger Tilgung zahlbar ist, und/oder die Methode zur Berechnung desselben (wenn erforderlich oder wenn anders als in den Bedingungen vorgesehen):

[•]

**ALLGEMEINE AUF DIE SCHULDVERSCHREIBUNGEN ANWENDBARE BESTIMMUNGEN**

**25 Form der Schuldverschreibungen:**

Schuldverschreibungen, die englischem Recht unterliegen:

Inhaberschuldverschreibungen:

[Vorläufige Sammelurkunde, die in eine Endgültige Sammelurkunde getauscht werden kann, welche in den in der Endgültigen Sammelurkunde angeführten beschränkten Umständen in effektive Stücke umtauschbar ist]

[Vorläufige Sammelurkunde, die in den in der Vorläufigen Sammelurkunde angeführten beschränkten Umständen in effektive Stücke umtauschbar ist]

[Endgültige Sammelurkunde, die in den in der Endgültigen Sammelurkunde angeführten beschränkten Umständen in effektive Stücke umtauschbar ist]

[Namenschuldverschreibungen]

Schuldverschreibungen, die österreichischem Recht unterliegen:

[Inhaberschuldverschreibungen:]

[Vorläufige Sammelurkunde, die in eine Endgültige Sammelurkunde getauscht werden kann, welche nicht in effektive Stücke umtauschbar ist]

[Endgültige Sammelurkunde, nicht umtauschbar gegen effektive Stücke]

[Namenschuldverschreibungen:]

[Sammelzertifikat, nicht umtauschbar gegen Namensschuldverschreibungen]

[an Order des registrierten Inhabers

(Orderklausel)] [*Anmerkung: Nur einfügen, wenn die Übertragung durch Indossament erfolgen soll - wenn dies nicht eingefügt wird, ist eine Übertragung nur durch Zession zulässig*]

[Namenschuldverschreibungen: beschränkte Übertragbarkeit: durch ein Sammelzertifikat verbrieft Stücke können nur gemeinsam

- übertragen werden (nur wählbar für Serien, die qualifizierten Anlegern gemäß § 1 Abs 1 Z 5a KMG angeboten werden)]
- 26** "New Global Note": [Ja] [Nein] [*Zu beachten ist, dass das Programm vorsieht, dass Schuldverschreibungen in NGN - Format emittiert werden können, auch wenn sie nicht als geeignete Sicherheit im Sinne der Geldpolitik des Eurosystems und für Zwecke der untertägigen Kreditfähigkeit durch das Eurosystem entweder bei Emission oder während ihrer Laufzeit anerkannt werden sollen. Vor der Wahl von "Ja" ist abzuwägen, ob die Emittentin wirklich in NGN-Format emittieren möchte, auch wenn in Teil B - Nummer 10(vii) "Nein" gewählt wird.*]
- 27** Finanzzentr(um)(en) oder andere besondere Bestimmungen betreffend Zahlungstage: [Nicht anwendbar / *Einzelheiten anführen. Beachte, dass dieser Begriff sich auf das Datum und den Ort der Zahlung bezieht, und nicht auf die Zeitpunkte der Zinsperiodenenden, auf welche sich die Unterpunkte 15(ii), 16(v) und 18(ix) beziehen*]
- 28** Talonscheine für zukünftige Kuponscheine oder Ratenscheine, welche Einzelkunden angeschlossen sind (und Zeitpunkte, an denen die Talonscheine abreifen) [Ja/Nein. *Wenn ja, Einzelheiten anführen.*]
- 29** Einzelheiten in Bezug auf Teileingezahlte Schuldverschreibungen: Betrag jeder Zahlung auf den Ausgabepreis und Zeitpunkt, an dem eine Zahlung erfolgen muss [und die Folgen (wenn es solche gibt) eines Zahlungsveräumnisses, einschließlich des Rechts der Emittentin, die Schuldverschreibungen und die fälligen Zinsen bei verspäteter Zahlung verfallen zu lassen]: [Nicht anwendbar / *Einzelheiten anführen*]
- 30** Einzelheiten betreffend Ratenschuldverschreibungen: Betrag jeder Teilzahlung, Zeitpunkt, an dem jede Zahlung erfolgen muss: [Nicht anwendbar / *Einzelheiten anführen*]
- 31** Bestimmungen über die Änderung der Stückelung, der Währung, einer Konvention [Nicht anwendbar / Die Bestimmungen [in Bestimmung •] sind anwendbar]
- 32** Zusammenführungs- [Nicht anwendbar / Die Bestimmungen [in

	(Konsolidierungs-) bestimmungen:	Bestimmung ●] sind anwendbar]
33	Andere Endgültige Bedingungen:	[Nicht anwendbar / Einzelheiten anführen] [(Wenn andere endgültige Bedingungen aufgenommen werden, sollte erwogen werden, ob solche Bestimmungen "wichtige neue Umstände" darstellen and daher ein Nachtrag zum Prospekt gemäß Art 16 der Prospektrichtlinie erforderlich ist.)]
<b>VERTRIEB</b>		
34	(i) Wenn syndiziert, die Namen und Adressen der Manager und Übernahmeverpflichtungen:	[Nicht anwendbar / Namen und Adressen und Übernahmeverpflichtungen angeben]. (Die Namen und Adressen jener Rechtsträger aufnehmen, die zustimmen, die Emission fest zu übernehmen und die Namen und Adressen jener Rechtsträger, die zustimmen, die Emission ohne feste Übernahme oder "zu den bestmöglichen Bedingungen" zu übernehmen, und nicht Manager sind.)
	(ii) Datum des Übernahmevertrages:	[●]
	(iii) Stabilisierungsmanager:	[Nicht anwendbar / Namen angeben]
35	Wenn nicht-syndiziert, Name und Adresse des Händlers:	[Nicht anwendbar / Namen und Adresse angeben]
36	Gesamtkommissionen und Gebühren:	[●] Prozent des Gesamtnominalbetrages
37	US Verkaufsbeschränkungen:	[Reg. S Compliance Category; TEFRA C/TEFRA D/TEFRA nicht anwendbar]
38	Nicht ausgenommenes Angebot:	[Nicht anwendbar] [Ein Angebot der Schuldverschreibungen darf von den Managern gemacht werden [und [angeben, wenn anwendbar]] anders als gemäß Artikel 3(2) der Prospektrichtlinie in [relevante(n) Mitgliedsaat(en) angeben – dies müssen Jurisdiktionen sein, in die der Prospekt und eventuelle Nachträge notifiziert wurden] ("Jurisdiktionen in denen ein öffentliches Angebot erfolgt") [während eines Zeitraumes von] [●] [bis] [●] [Zeitraum angeben] ("Angebotsfrist") [ab] [Datum angeben]. Siehe auch Punkt 11 von Teil B unten.
39	Zusätzliche Verkaufsbeschränkungen:	[Nicht anwendbar / Einzelheiten anführen]
40	Gerichtsstand und anwendbares Recht:	[Österreichisch/Englisch]
41	Verbindliche Sprache:	[Deutsch/Englisch] [Die andere Sprachversion stellt, wenn vorhanden, lediglich eine Übersetzung zum Zweck der Benutzerfreundlichkeit dar /



(streichen, wenn nicht anwendbar)]

42 Inländische oder Internationale Schulverschreibungen: [Inländische / Internationale]

### **Zweck der Endgültigen Bedingungen**

Diese Endgültigen Bedingungen beinhalten die endgültigen Bedingungen, die erforderlich sind, um diese Emission von Schulverschreibungen gemäß dem €30,000,000,000 Debt Issuance Programme der Erste Group Bank AG zu begeben [und] [in den Jurisdiktionen, in denen ein öffentliches Angebot erfolgt, öffentlich anzubieten] [und] [deren Zulassung zum Handel [an der Wiener Börse AG] [an der Luxemburger Börse] [*anderer Markt*] zu erhalten].

### **Verantwortlichkeit**

Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen enthaltenen Angaben. [*Relevante Information von Seiten Dritter*] wurde aus (*Quelle angeben*) entnommen. Die Emittentin bestätigt, dass diese Informationen sorgfältig wiedergegeben wurden und dass, soweit ihr bekannt ist und wie sie sich aufgrund der von (*Quelle angeben*) veröffentlichten Angaben versichern konnte, keine Tatsachen verschwiegen wurden, die die wiedergegebenen Informationen unrichtig oder irreführend machen würden].

Erste Group Bank AG als Emittentin

Durch:

Durch:

Zeichnungsberechtigte Person Zeichnungsberechtigte Person

## TEIL B - ANDERE INFORMATIONEN

### 1. BÖRSENOTIERUNG UND ZULASSUNG ZUM HANDEL

- (i) Börsenotierung: [Wien / Luxemburg /andere (*spezifizieren*) / keine]  
[Markt bezeichnen]
- (ii) Zulassung zum Handel: [Ein Antrag auf Zulassung der  
Schuldverschreibungen zum Handel an der  
[Wiener Börse AG] [Luxemburger Börse] [mit  
Wirkung vom [●] wurde von der (oder für die)  
Emittentin gestellt.] [Ein Antrag auf Zulassung der  
Schuldverschreibungen zum Handel [an der  
[Wiener Börse AG] [an der Luxemburger Börse]  
mit Wirkung vom [●] soll von der (oder für die)  
Emittentin gestellt werden.] [Nicht anwendbar.]  
[Markt bezeichnen]  
*(Wenn eine Aufstockung dokumentiert wird,  
Erläuterung, dass die anderen  
Schuldverschreibungen bereits zum Handel  
zugelassen sind.)*

### 2. RATINGS

- Ratings: [Die zu begebenden Schuldverschreibungen  
haben folgendes Rating:]  
[S&P: [●]]  
[Moody's: [●]]  
[Fitch: [●]]  
[[Andere]: [●]]  
*[Kurze Darstellung der Bedeutung des Ratings  
muss eingefügt werden, wenn diese vorher von  
der Rating Agentur veröffentlicht wurde.]  
(Obige Offenlegung soll das Rating von  
Schuldverschreibungen jener Art darstellen, die  
unter dem Programm generell emittiert werden,  
oder wenn eine Serie eigens gerated wurde,  
dieses Rating.)*

### 3. [NOTIFIZIERUNG

Die CSSF [wurde ersucht, zur Verfügung zu stellen / hat zur Verfügung gestellt – die erste Alternative ist bei einer Emission einzufügen, die gleichzeitig mit der Einrichtung oder dem Update des Programms erfolgt, die zweite Alternative für darauf folgende Emissionen], der [Einfügen von Namen der zuständigen Behörden der Aufnahmemitgliedstaaten] eine Bestätigung über die Billigung, womit bescheinigt wird, dass der Prospekt im Einklang mit der Prospektrichtlinie erstellt wurde.]

**4. [INTERESSEN VON NATÜRLICHEN UND JURISTISCHEN PERSONEN, DIE [AN DER EMISSION/AM ANGEBOT] BETEILIGT WAREN**

Eine Beschreibung jeglicher Interessen, einschließlich Interessenskonflikte, die für die Emission / das Angebot von wesentlicher Bedeutung sind, ist einzufügen, wobei die betreffenden Personen zu nennen sind und die Art der Interessen darzulegen ist. Kann durch Einfügen der folgenden Erklärung erfüllt werden:

"Ausgenommen wie unter "Zeichnung und Verkauf" ("Subscription and Sale") dargestellt, hat, soweit der Emittentin bekannt ist, keine Person, die am Angebot der Schuldverschreibungen beteiligt ist, ein Interesse von wesentlicher Bedeutung an dem Angebot."

*[(Wenn weitere Beschreibungen hinzugefügt werden, sollte abgewogen werden, ob die beschriebenen Angelegenheiten "wesentliche neue Umstände" begründen und dementsprechend das Erfordernis der Erstellung eines Nachtrages zum Prospekt gemäß Artikel 16 der Prospektrichtlinie auslösen.)]*

**5. GRÜNDE FÜR DAS ANGEBOT, ERWARTETER NETTOERLÖS UND GESAMTKOSTEN**

[(i) Gründe für das Angebot:

[•]

*(Siehe ["Verwendung des Erlöses" ("Use of Proceeds")] im Prospekt - wenn die Gründe für das Angebot andere sind als Gewinnerzielung und / oder Absicherung bestimmter Risiken, dann sind diese Gründe hier einzufügen)*

[(ii) Erwarteter Nettoerlös:

[•]

*(Wenn Erlöse mehr als einer Verwendung zukommen sollen, dann getrennte Auflistung nach Priorität. Wenn die Erlöse nicht genügen, um alle vorgeschlagenen Verwendungen zu finanzieren, Auflistung der Höhe und der anderen Finanzierungsquellen.)*

[(iii) Geschätzte Gesamtkosten:

[•]

*[Einfügen einer Aufgliederung der Kosten.]  
(Wenn die Schuldverschreibungen derivative Wertpapiere sind, auf die Anhang XII der Prospektverordnung anwendbar ist, müssen alle Nettoerlöse und Gesamtkosten unter (ii) und (iii) oben nur offen gelegt werden, wenn eine Offenlegung unter (i) oben stattgefunden hat.)\**

**6. [Nur Festverzinsliche Schuldverschreibungen – RENDITE**

Angabe der Rendite:

[•]

*[Berechnet als [Einfügen der Berechnungsmethode in zusammengefasster Form] am Ausgabetag.]*

Wie oben dargestellt, wird die Rendite am

Ausgabebetrag auf Basis des Ausgabepreises berechnet. Sie stellt keine Indikation für zukünftige Renditen dar.]

**7. [Nur Variabel Verzinsliche Schuldverschreibungen – HISTORISCHE ZINSSÄTZE**

Einzelheiten über historische [LIBOR/EURIBOR/andere] Zinssätze können bei [Reuters] bezogen werden.]

**8. [Nur indexgebundene, aktiengebundene, fondsgebundene, kreditgebundene, rohstoffgebundene, futuregebundene oder andere variable-gebundene Schuldverschreibungen – ENTWICKLUNG VON INDEX / FORMEL / BASISWERTAKTIE / BASISWERTFONDS / KREDITEREIGNIS / ROHSTOFF / FUTURE KONTRAKT / ANDERE VARIABLE, ERKLÄRUNG DER AUSWIRKUNGEN AUF DEN WERT DES INVESTMENT UND VERBUNDENE RISIKEN UND ANDERE INFORMATIONEN DEN BASISWERT BETREFFEND**

*Einfügen von Einzelheiten, wo Angaben über die vergangene und künftige Wertentwicklung und Volatilität von Index / Formel / Basiswertaktie / Basiswertfonds / Kreditereignis / Rohstoff / Future Kontrakt / andere Variable eingeholt werden können, und eine klare und umfassende Erläuterung, wie der Wert der Anlage vom Basiswert beeinflusst wird und der Umstände, unter denen die Risiken am offenkundigsten sind.] [Wenn der Basiswert ein Index ist, muss der Name des Index und eine Erklärung, ob der Index von der Emittentin zusammengesetzt wurde, eingefügt werden, und wenn der Index nicht von der Emittentin zusammengesetzt wurde, müssen Einzelheiten, von wo die Informationen über den Index bezogen werden können, eingefügt werden. Wenn der Basiswert kein Index ist, müssen gleichwertige Informationen eingefügt werden. Weitere von Punkt 4.2 von Annex XII der Prospektverordnung verlangte Informationen über den Basiswert sind einzufügen.]\*]*

*[(Wenn dieser Punkt vervollständigt wird, sollte abgewogen werden, ob die beschriebenen Angelegenheiten "wesentliche neue Umstände" begründen und dementsprechend das Erfordernis der Erstellung eines Nachtrages zum Prospekt gemäß Artikel 16 der Prospektrichtlinie auslösen.)]*

*Die Emittentin [beabsichtigt die Veröffentlichung von Informationen nach erfolgter Emission [angeben welche Information veröffentlicht werden wird und wo sie erhältlich ist]]/[beabsichtigt keine Veröffentlichung von Informationen nach erfolgter Emission]\*.*

**9 [Nur Doppelwährungs-Schuldverschreibungen - ENTWICKLUNG DE(R)(S) WECHSELKURSE(S) UND ERLÄUTERUNG DER AUSWIRKUNGEN AUF DEN WERT DER ANLAGE**

*Einfügen von Einzelheiten, wo Angaben über die vergangene und künftige Wertentwicklung und Volatilität de(s)(r) relevanten Kurse(s) eingeholt werden kann (können), und eine klare und umfassende Erläuterung, wie der Wert der Anlage vom Basiswert beeinflusst wird und der Umstände, unter denen die Risiken am offenkundigsten sind.]\**

*[(Wenn dieser Punkt vervollständigt wird, sollte abgewogen werden, ob die beschriebenen Angelegenheiten "wesentliche neue Umstände" begründen und dementsprechend das Erfordernis der Erstellung eines Nachtrages zum Prospekt gemäß Artikel 16 der Prospektrichtlinie auslösen.)]*

## 10. OPERATIVE INFORMATIONEN

- (i) ISIN Code: [•]
- (ii) Common Code: [•]
- (iii) Clearing System(e)
- a) für Internationale Schuldverschreibungen: Euroclear Bank S.A./N.V. / Clearstream Banking, Société Anonyme
- b) für Inländische Schuldverschreibungen: [OeKB]  
[OeKB und Euroclear Bank S.A./N.V. / Clearstream Banking, Société Anonyme durch ein Konto bei OeKB]  
*[Nicht anwendbar / wenn andere Clearing System als oben genannt, Name(n) einfügen]*
- (iv) Lieferung: Lieferung [gegen/ohne] Zahlung
- (v) Namen und Adressen der anfänglichen Zahlstelle(n): [•] *[Zahlstellen werden entweder Banken oder andere Personen sein, die im EWR oder einem anderen Markt, in dem die Erste Group aktiv ist, befugt sind, als Zahlstelle zu fungieren.]*
- (vi) Namen und Adressen von zusätzlicher(n) Zahlstelle(n) (falls vorhanden): [•] *[Zahlstellen werden entweder Banken oder andere Personen sein, die im EWR oder einem anderen Markt, in dem die Erste Group aktiv ist, befugt sind, als Zahlstelle zu fungieren.]*
- (vii) Soll in einer für das Eurosystem geeigneten Weise verwahrt werden [Ja] [Nein]  
[Zu beachten ist, dass die Angabe "Ja" nur meint, dass die Schuldverschreibungen bei Emission bei einem der ICSDs als Common Safekeeper verwahrt werden und nicht notwendigerweise bedeutet, dass die Schuldverschreibungen als geeignete Sicherheiten für die Eurosystem-Geldpolitik und taggleiche Kreditoperationen durch das Eurosystem anerkannt werden, weder bei Emission, noch während ihrer Laufzeit. Die Anerkennung hängt von der Erfüllung der Eurosystem-Auswahlkriterien ab. Zu beachten ist weiters, dass dieses Programm auch die Emission, von Schuldverschreibungen als NGN ("New Global Notes") vorsieht, selbst wenn oben die Angabe "Nein" gewählt wird. Siehe auch Teil A - Punkt 25] *[dieser Text ist einzufügen, wenn "Ja" gewählt wurde; in diesem Fall müssen Schuldverschreibungen als Eurosystem-fähige "NGN" begeben werden.]*

## 11. Bedingungen des Angebotes

- (i) Angebotspreis: [Angebotspreis] [angeben]
- (ii) Bedingungen des Angebotes: [Nicht anwendbar/*Details angeben*]
- (iii) Frist - einschließlich etwaiger Änderungen - während deren das Angebot vorliegt und Beschreibung des Antragstellungsverfahrens: [Nicht anwendbar/*Details angeben*]
- (iv) Beschreibung der Möglichkeit, Zeichnungen zu verringern und Methode, um die überschüssigen Beträge an die Antragsteller zurückzuzahlen [Nicht anwendbar/*Details angeben*]
- (v) Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung: [Nicht anwendbar/*Details angeben*]
- (vi) Einzelheiten über die Methode und Fristen für die Bedienung der Wertpapiere und ihre Lieferung: [Nicht anwendbar/*Details angeben*]
- (vii) Art und Weise und Termin, auf die bzw an dem die Ergebnisse des Angebots bekanntzumachen sind: [Nicht anwendbar/*Details angeben*]
- (viii) Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Übertragbarkeit der Zeichnungsrechte und die Behandlung von nicht ausgeübten Zeichnungsrechten : [Nicht anwendbar/*Details angeben*]
- (ix) Kategorien der potenziellen Investoren, denen die Wertpapiere angeboten werden und Angabe, ob Tranchen bestimmten Märkten vorbehalten werden: [Nicht anwendbar/*Details angeben*]
- (x) Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist: [Nicht anwendbar/*Details angeben*]
- (xi) Kosten und Steuern, die speziell dem Zeichner oder Käufer in Rechnung gestellt werden: [Nicht anwendbar/*Details angeben*]
- (xii) Name(n) und Adresse(n) zu den Plazierern in den einzelnen [Keine/*Details angeben*]

Ländern des Angebots soweit der  
Emittentin bekannt:

*Fußnoten:*

- \* *Erforderlich für derivative Wertpapiere, auf die Annex XII der Prospekt Verordnung anwendbar ist.*
- 1 *Schuldverschreibungen, die als Pfandbriefe, Kommunalschuldverschreibungen (Öffentliche Pfandbriefe) oder fundierte Bankschuldverschreibungen emittiert werden, müssen als solche bezeichnet werden.*
- 2 *Diesen Text einfügen, wenn ein nicht ausgenommenes Angebot von Schuldverschreibungen erfolgen soll.*
- 3 *Diesen Text einfügen, wenn ein ausgenommenes Angebot von Schuldverschreibungen erfolgen soll.*
- 4 *Nur Einzelheiten von Nachträgen zum Prospekt einfügen, in denen die Bedingungen für alle künftigen Emissionen unter dem Programm geändert werden.*
- 5 *Artikel 14.2 der Prospektrichtlinie bestimmt, dass ein Prospekt unter anderem dann als dem Publikum zur Verfügung gestellt gilt, wenn er (i) dem Publikum in gedruckter Form bei den zuständigen Stellen des Marktes, an dem die Wertpapiere zum Handel zugelassen werden sollen; ODER (ii) am Sitz der Emittentin oder den Zahlstellen; ODER (iii) in elektronischer Form auf der Website der Emittentin zur Verfügung gestellt wird. Artikel 16 der Prospektrichtlinie bestimmt, dass dieselben Bestimmungen auf Nachträge zutreffen.*
- 6 *Wenn Mitteilungsfristen bezeichnet werden, die von jenen in den Emissionsbedingungen abweichen, sollte in Betracht gezogen werden, ob die Verbreitung der Information durch Intermediäre, wie zum Beispiel Clearing Systeme und Verwahrer praktikabel ist, genauso wie andere möglicherweise anwendbaren Informationserfordernisse, zum Beispiel zwischen der Emittentin und dem Fiskalagenten.*

**GERMAN TRANSLATION OF FORMS OF FINAL TERMS  
(ISSUE OF NOTES WITH A DENOMINATION OF AT LEAST €50,000 OR EQUIVALENT)**

**FORMULAR FÜR ENDGÜLTIGE BEDINGUNGEN FÜR  
EMISSIONEN VON SCHULDVERSCHREIBUNGEN MIT EINER STÜCKELUNG  
VON MINDESTENS €50.000 ODER DEM GEGENWERT**

**Endgültige Bedingungen vom [●]**

**Erste Group Bank AG**

Emission von [Gesamtnominale der Tranche] [Name der Schuldverschreibungen]<sup>1</sup> unter dem

**€30,000,000 Debt Issuance Programme**

**TEIL A - VERTRAGLICHE BEDINGUNGEN**

Hierin verwendete Ausdrücke gelten als definiert wie in den Emissionsbedingungen (die "Emissionsbedingungen") des Prospekts vom [●] 200[●] vorgesehen [und dem Nachtrag zum Prospekt vom [●]]<sup>2</sup> der [die] [gemeinsam] einen Basisprospekt für die Zwecke der Prospektrichtlinie (Richtlinie 2003/71/EG) darstell(t)(en) (die "Prospektrichtlinie"). Dieses Dokument stellt die Endgültigen Bedingungen der Schuldverschreibungen in Übereinstimmung mit Punkt 5.4 der Prospektrichtlinie dar und muss in Verbindung mit diesem Prospekt [samt Nachtrag] gelesen werden. Eine vollständige Information über die Emittentin und das Angebot der Schuldverschreibungen ist nur durch Kombination dieser Endgültigen Bedingungen mit dem Prospekt [samt Nachtrag] möglich. Der Prospekt [und der Nachtrag] [ist] [sind] [auf [Website]] [und] während normaler Geschäftszeiten bei [Adresse] einsehbar und Kopien können bei [Adresse] bezogen werden.<sup>3</sup>

Die folgende alternative Textversion ist anwendbar wenn die erste Tranche einer Emission, die unter einem Prospekt mit früherem Datum begeben wurde, aufgestockt wird.

Hierin verwendete Ausdrücke gelten als definiert wie in den Emissionsbedingungen (die "Emissionsbedingungen") des Prospekts vom [Originaldatum] [und des Nachtrages vom [●]]<sup>2</sup> vorgesehen. Dieses Dokument stellt die Endgültigen Bedingungen der Schuldverschreibungen in Übereinstimmung mit Punkt 5.4 der Prospektrichtlinie (Richtlinie 2003/71/EG) (die "Prospektrichtlinie") dar und muss in Verbindung mit dem Prospekt vom [aktuelles Datum] [und dem Nachtrag vom [●]] gelesen werden, [der] [die] [gemeinsam] einen Basisprospekt für Zwecke der Prospektrichtlinie darstell(t)(en), ausgenommen die Emissionsbedingungen, die dem Prospekt vom [Originaldatum] [und dem Nachtrag vom [●]] entnommen wurden und hier angeschlossen sind. Eine vollständige Information über die Emittentin und das Angebot der Schuldverschreibungen ist nur durch Kombination dieser Endgültigen Bedingungen mit dem Prospekt vom [Originaldatum] und vom [aktuelles Datum] [und den Nachträgen vom [●] und vom [●]] möglich. Die Prospekte [und die Nachträge] sind [unter [Website] [und] während normaler Geschäftszeiten bei [Adresse] einsehbar und Kopien können bei [Adresse] bezogen werden].<sup>3</sup>

[Was im Folgenden anwendbar ist, ist einzufügen oder als "Nicht Anwendbar" (N/A) zu bezeichnen. Es ist zu beachten, dass die Nummerierung wie unten dargestellt bestehen bleiben sollte, selbst wenn "Nicht Anwendbar" für einzelne Absätze oder Unterabsätze anwendbar ist. Kursive Schrift kennzeichnet Anleitungen, wie die Endgültigen Bedingungen fertig zu stellen sind.]

[Wenn Endgültige Bedingungen ausgefüllt werden, oder andere endgültige Bedingungen oder Informationen hinzugefügt werden, sollte erwogen werden, ob solche neue Bedingungen oder



Informationen "wichtige neue Umstände" darstellen und somit einen Nachtrag zum Prospekt gemäß Artikel 16 der Prospekttrichtlinie erforderlich machen.]

*[Bei Schuldverschreibungen, die an einen Hedge Fonds gebunden sind, einfügen: Die Schuldverschreibungen bilden wirtschaftlich einen Hedge Fonds ab und ein Investment stellt eine sehr riskante Vermögensveranlagung dar. Es sollte von Anlegern daher nur ein kleiner Teil des frei verfügbaren Vermögens in derartige Produkte investiert werden, keinesfalls jedoch das ganze Vermögen oder per Kredit aufgenommene Mittel. Die Schuldverschreibungen werden Anlegern angeboten, die besondere Kenntnis von Investmentangelegenheiten haben. Investoren sollten nur an dem Investment teilnehmen, wenn sie in der Lage sind, die mit den Schuldverschreibungen verbundenen Risiken sorgfältig abzuschätzen.]*

1	Emittentin:	Erste Group Bank AG
2	[(i)] Seriennummer:	[●]
	[(ii)] Tranchennummer:	[●]
	(Falls zusammengefasst mit einer bereits bestehenden Serie, Details dieser Serie, einschließlich dem Datum an dem die Schuldverschreibungen fungibel werden, einfügen).]	
3	Festgesetzte Währung(en):	[●]
4	Gesamtnominalbetrag:	[●]
	[(i)] Serie:	[●]
	[(ii)] Tranche:	[●]
5	Emissionspreis:	[●] Prozent des Gesamtnominalbetrages [zuzüglich angefallener Zinsen ab dem <i>[Datum einsetzen]</i> (falls anwendbar)
	<i>[Im Fall von Schuldverschreibungen, die als Daueremission begeben werden, einfügen: Anfänglich [●] Prozent des Gesamtnominalbetrages, danach wie von der Emittentin gemäß jeweils herrschenden Marktbedingungen festgelegt]</i>	
6	(i) Festgelegte Stückelung:	[●] [€50.000 und darüber hinausgehende ganzzahlige Mehrfache von [€1.000] bis einschließlich [€99.000]. Effektive Stücke mit einer Stückelung über [€99.000] werden nicht ausgegeben.]
	(ii) Rechnungsbetrag	[angeben / Festgelegte Stückelung]
7	(i) Ausgabebetrag:	[●]
	(ii) Zinsbeginnstag:	[angeben / Ausgabebetrag / Nicht anwendbar]
8	Tilgungstag:	[●] [Nicht anwendbar (Tier 1

- Schuldverschreibungen)] *[Datum einfügen oder (für variabel verzinsliche Schuldverschreibungen) Zinszahlungstag, der in den oder am nächsten zu dem relevanten Monat oder Jahr fällt]*
- 9 Basis für die Zinsen: [• Prozent fester Zinssatz]  
[[Referenzsatz einfügen] +/- • Prozent variabler Zinssatz]  
[Nullkupon]  
[indexgebundene Verzinsung]  
[aktiengebundene Verzinsung]  
[fondsgebundene Verzinsung]  
[kreditgebundene Verzinsung]  
[rohstoffgebundene Verzinsung]  
[futuregebundene Verzinsung]  
[Andere (*spezifizieren*)]  
(weitere Besonderheiten sind nachstehend angeführt)
- 10 Tilgungs-/Zahlungsbasis: [Tilgung zum Nennbetrag]  
[Indexgebundene Tilgung]  
[Doppelwährung]  
[Teileingezahlt]  
[Teilzahlung]  
[Reverse Convertible]  
[Andere (*spezifizieren*)]
- 11 Änderung der Zins- oder der Tilgungs-/Zahlungsbasis: *[Details über die Wandlung der Schuldverschreibungen auf eine andere Zins- oder Tilgungs-/Zahlungsbasis angeben]*
- 12 Wahlrechte: [Gläubiger]  
[Emittentin]  
[(weitere Einzelheiten unterhalb angeführt)]
- 13 [(i)] Rang der Schuldverschreibungen: [[Nicht-nachrangig / [befristet/ewig] / Ergänzungskapital / Nachrangiges Kapital / Nachrangiges Ergänzungskapital / Kurzfristiges Nachrangiges Kapital / Tier 1 Kapital / Pfandbrief / Kommunalschuldverschreibung (Öffentlicher Pfandbrief) / fundierte Bankschuldverschreibung]
- [(ii)] [Datum des Genehmigungsbeschlusses [des Vorstands] für die Begebung der Schuldverschreibungen: [•] [und [•]]  
(*N.B. Nur relevant, wenn ein Genehmigungsbeschluss des Vorstands (oder eines ähnlichen Gremiums) verpflichtend für die Begebung der jeweiligen Tranche der Schuldverschreibungen ist*)]
- 14 Vertriebsmethode: [syndiziert / nicht syndiziert]

**BESTIMMUNGEN BETREFFEND DEN ZAHLBAREN ZINSSATZ (WENN ANWENDBAR)**

15	<b>Bestimmungen für feste Verzinsung</b>	<p>[Anwendbar/Nicht anwendbar]  <i>(Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen)</i></p>
(i)	Zinssatz / Zinssätze:	<p>[●] Prozent per annum [zahlbar [jährlich / halbjährlich / quartalsweise / monatlich / anders (<i>angeben</i>)] [kumulativ/ nicht kumulativ] im nachhinein]</p>
(ii)	Zinszahlungstag(e):	<p>[●] in jedem Jahr [angepasst in Übereinstimmung mit [<i>Business Day Convention und anwendbare(s) Geschäftszentr(en)(um) einfügen für die Definition von "Geschäftstag"</i>]/nicht angepasst]</p> <p>[Für den Fall, dass Zinsen nicht zahlbar sind [oder die Zahlung von Zinsen verschoben wird] gemäß Bestimmung [3(b)(i)][3(b)(iii)], verständigt die Emittentin den Agenten nicht später als [[10] Geschäftstage] [anderer Zeitraum] nach dem Tag, an dem die Jahresabschlüsse für das Geschäftsjahr, welches sich auf die maßgebliche Zinslaufperiode bezieht, festgestellt wurden, oder, wenn früher, der Tag, an dem der Vorstand der Emittentin beschlossen hat, dass keine Zinsen zahlbar sind [oder dass die Zahlung von Zinsen verschoben wird, je nachdem], und der Agent wird die Gläubiger der Schuldverschreibung ohne unangemessenen Verzug, nicht später als [[20] Geschäftstage] [anderer Zeitraum] vor dem maßgeblichen Zinszahlungstag verständigen.] Nach einer solchen Verständigung der Gläubiger der Schuldverschreibung ist keine Zahlung von Zinsen oder Teilzahlungsbeträgen zulässig, bis die Gläubiger der Schuldverschreibung vom Agenten anderweitig verständigt werden.]</p>
(iii)	Festzinssatzbetr(ag)(äge):	<p>[●] pro Rechnungsbetrag</p>
(iv)	Bruchteilbetr(ag)(äge):	<p>[●] pro Rechnungsbetrag, zahlbar am Zinszahlungstag, der [in/auf] [●] fällt.</p>
(v)	Zinstagequotient:	<p>[30/360/ Actual/Actual (ICMS/ISMA) / andere]</p>
(vi)	Zinsfestlegungstag(e):	<p>[●] jährlich (<i>die regulären Zinszahlungstage einfügen, wobei der Ausgabetag und der Tilgungstag im Fall eines langen oder kurzen ersten oder letzten Kupons außer Acht zu lassen sind. N.B.: nur relevant, wenn der Zinstagequotient Actual/Actual (ICMA) ist.</i>)</p>
(vii)	Andere Bedingungen, die sich auf die Methode der Zinsberechnung für	<p>[Nicht anwendbar / Einzelheiten anführen]</p>

Festverzinsliche  
Schuldverschreibungen  
beziehen:

16	<b>Bestimmungen für variable Verzinsung</b>	<p>[Anwendbar/Nicht anwendbar] (Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen)</p>
(i)	Zinsperiode(n):	[●]
(ii)	Bestimmte Zinszahlungstage:	<p>[●] [Für den Fall, dass Zinsen nicht zahlbar sind [oder die Zahlung von Zinsen verschoben wird] gemäß Bestimmung [3(b)(i)][3(b)(iii)], verständigt die Emittentin den Agenten nicht später als [[10] Geschäftstage] [anderer Zeitraum] nach dem Tag, an dem die Jahresabschlüsse für das Geschäftsjahr, welches sich auf die maßgebliche Zinslaufperiode bezieht, festgestellt wurden, oder, wenn früher, der Tag, an dem der Vorstand der Emittentin beschlossen hat, dass keine Zinsen zahlbar sind [oder dass die Zahlung von Zinsen verschoben wird, je nachdem], und der Agent wird die Gläubiger der Schuldverschreibung ohne unangemessenen Verzug, nicht später als [[20] Geschäftstage] [anderer Zeitraum] vor dem maßgeblichen Zinszahlungstag verständigen.] Nach einer solchen Verständigung der Gläubiger der Schuldverschreibung ist keine Zahlung von Zinsen oder Teilzahlungsbeträgen zulässig, bis die Gläubiger der Schuldverschreibung vom Agenten anderweitig verständigt werden.]</p>
(iii)	Erster Zinszahlungstag:	[●]
(iv)	Business Day Convention:	<p>[Floating Rate Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention / andere (<i>Einzelheiten anführen</i>)]</p>
(v)	Geschäftszentren:	[●]
(vi)	Art und Weise, in der die Zinssätze festgesetzt werden:	<p>[Bildschirmseitenfeststellung / ISDA Feststellung / andere (<i>Einzelheiten anführen</i>)] [kumulativ/nicht kumulativ]</p>
(vii)	Für die Berechnung der Zinssätze und der Zinsbeträge zuständige Stelle (wenn nicht die [Stelle]):	[●]
(viii)	Bildschirmseitenfeststellung:	[●]
-	Referenzzinssatz:	[●]

- Zinsfestlegungstag(e): [●]
  - Maßgebliche Bildschirmseite: [●]
  - (ix) ISDA Festsetzung:
    - Floating Rate Option: [●]
    - Designated Maturity: [●]
    - Reset Date: [●]
  - (x) Marge(n): [+/-] [●] Prozent per annum
  - (xi) Minimum-Zinssatz: [●] Prozent per annum
  - (xii) Maximal-Zinssatz: [●] Prozent per annum
  - (xiii) Zinstagequotient: [●]
  - (xiv) Auffangbestimmungen, Rundungsbestimmungen, Stückelungs- und andere Bestimmungen, die sich auf die Methode der Zinsberechnung von variabel verzinslichen Schuldverschreibungen beziehen, wenn diese anders sind, als in den Bedingungen vorgesehen: [●]
- 17 Nullkupon-Schuldverschreibungen** [Anwendbar/Nicht anwendbar]  
*(Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen)*
- (i) [Amortisations-/Zuwachs-] Rendite: [●] Prozent per annum
  - (ii) Referenzpreis: [●]
  - (iii) Andere Formel / Basis zur Festsetzung des zahlbaren Betrages: [●]
- 18 Schuldverschreibungen mit indexgebundener Verzinsung / andere Schuldverschreibungen mit variabel-gebundener Verzinsung** [Anwendbar/Nicht anwendbar]  
*(Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen)*
- (i) Index / Formel / andere Variable: [Einzelheiten angeben oder anfügen] [kumulativ / nicht-kumulativ]
  - (ii) Stelle, die für die Berechnung der Zinssätze und/oder Zinsbeträge zuständig ist (wenn nicht die [Stelle]): [●]

	(iii)	Bestimmungen für die Festsetzung des Kupons, wenn dieser durch Bezugnahme auf einen Index und/oder eine Formel und/oder eine andere Variable berechnet wird:	[●]
	(iv)	Zinsfestlegungstag(e):	[●]
	(v)	Bestimmungen über die Festsetzung des Kupons, wenn die Berechnung durch Bezugnahme auf einen Index und/oder eine Formel und/oder eine andere Variable unmöglich oder unpraktikabel ist oder auf andere Weise beeinträchtigt wird:	[●]
	(vi)	Zins- oder Berechnungsperiode(n):	[●]
	(vii)	Zinszahlungstage:	[●]
	(viii)	Business Day Convention:	Floating Rate Convention / Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention / andere ( <i>Einzelheiten anführen</i> )
	(ix)	Geschäftszentren:	[●]
	(x)	Minimalzinssatz/-zinsbetrag:	[●] Prozent per annum
	(xi)	Maximalzinssatz/-zinsbetrag:	[●] Prozent per annum
	(xii)	Zinstagequotient:	[●]
<b>19</b>	<b>Doppelwährungs-Schuldverschreibungen</b>		[Anwendbar/Nicht anwendbar] ( <i>Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen</i> )
	(i)	Wechselkurs / Methode zur Berechnung des Wechselkurses:	[ <i>Einzelheiten anführen</i> ]
	(ii)	Stelle, die für die Berechnung der Zinssätze und/oder Zinsbeträge zuständig ist (wenn nicht die [Stelle]):	[●]
	(iii)	Bestimmungen, die anwendbar sind, wenn die Berechnung durch Bezugnahme auf einen Wechselkurs unmöglich oder	[●]

unpraktikabel ist:

- (iv) Person nach deren Wahlrecht die Festgesetzte(n) Wahrung(en) zahlbar ist/ sind: [●]

#### **BESTIMMUNGEN BETREFFEND DIE TILGUNG**

- 20 Wahlrecht der Emittentin** [Anwendbar/Nicht anwendbar]  
*(Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen)*
- (i) Optionale(r) Tilgungstag(e): [●]
  - (ii) Optionale(r) Tilgungsbetrag (- betrage) jeder Schuldverschreibung und Methode, falls vorhanden, der Berechnung dieses Betrages (solcher Betrage): [●]
  - (iii) Wenn teilweise tilgbar:
    - (a) Minimaler Tilgungsbetrag: [●]
    - (b) Maximaler Tilgungsbetrag: [●]
  - (iv) Mitteilungszeitraum: [●]<sup>4</sup>
  - (v) Betrag bei Tilgung aus Anrechenbarkeitsgrunden: [●] (*Tier 1 Schuldverschreibungen*)
  - (vi) Wahltilgungsbetrag: [●] (*Tier 1 Schuldverschreibungen*)
  - (vii) Betrag bei Tilgung aus steuerlichen Grunden: [●] (*Tier 1 Schuldverschreibungen*)
- 21 Wahlrecht der Glaubiger** [Anwendbar/Nicht anwendbar]  
*(Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen)*
- (i) Optionale(r) Tilgungstag(e): [●]
  - (ii) Optionale(r) Tilgungsbetrag (- betrage) jeder Schuldverschreibung und Methode, falls vorhanden, der Berechnung dieses Betrages (solcher Betrage): [●]
  - (iii) Mitteilungszeitraum: [●]
- 22 Endgultiger Tilgungsbetrag jeder Schuldverschreibung**
- In Fallen, in denen der Endgultige Tilgungsbetrag indexgebunden oder anders variabel-gebunden ist: [Anwendbar/Nicht anwendbar]  
*(Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen)*

- |           |   |  |
|-----------|---|--|
| (i)       | Index / Formel / andere Variable:   | [ <i>Einzelheiten einfügen oder anfügen</i> ]  |
| (ii)      | Stelle, die für die Berechnung der Zinssätze und/oder Zinsbeträge zuständig ist (wenn nicht die [Stelle]):  | [ <i>Name und Adresse einfügen</i> ]   |
| (iii)     | Bestimmungen für die Festsetzung des Endgültigen Tilgungsbetrages, wenn dieser durch Bezugnahme auf einen Index und/oder Formel und/oder andere Variable berechnet wird:  | [●]  |
| (iv)      | Feststellungstag(e):  | [●]  |
| (v)       | Bestimmungen für die Festsetzung des Endgültigen Tilgungsbetrages, wenn dieser durch Bezugnahme auf einen Index und/oder und/oder Formel und/oder andere Variable unmöglich oder unpraktikabel ist oder auf andere Weise beeinträchtigt wird: | [●]  |
| (vi)      | Zahlungstag:  | [●]  |
| (vii)     | Minimaler Endgültiger Tilgungsbetrag:   | [●]  |
| (viii)    | Maximaler Endgültiger Tilgungsbetrag:   | [●]  |
| <b>23</b> | <b>Tilgung von Reverse Convertible Schuldverschreibungen (Aktienanleihen, Fondsanleihen, Warenanleihen, Währungsanleihen, Futureanleihen)</b>   | [Anwendbar/Nicht anwendbar]<br>( <i>Wenn nicht anwendbar, ist der restliche Unterabsatz dieses Absatzes zu streichen</i> ) |
| (i)       | Basiswert(e):   | [●] / [ <i>andere / Einzelheiten einfügen</i> ] [siehe Anhang]   |
| (ii)      | Anzahl der bei Tilgung zu liefernden Basiswerte:  | [[●] je Schuldverschreibung pro festgelegter Stückelung]   |
| (iii)     | Ausübungstag:   | [ <i>Einzelheiten anführen oder beifügen.</i> ]  |
| (iv)      | Maßgebliche Wertpapierbörse(n):   | [●]  |
| (v)       | Maßgebliche Börse(n):   | [●]  |
| (vi)      | Maßgebliche Optionenbörse(n):   | [●]  |



- (vii) Marktstörung(en): *[Einzelheiten einfügen.] (Nur erforderlich, wenn zusätzliche Marktstörungen aufgenommen werden sollen.)*
- (viii) Anpassungsereignis(se): *[Einzelheiten anführen oder beifügen.] (Nur erforderlich, wenn zusätzliche Anpassungsereignisse aufgenommen werden sollen.)*

**24 Vorzeitiger Tilgungsbetrag**

Der Vorzeitige Tilgungsbetrag einer Schuldverschreibung, der bei Tilgung aus steuerlichen Gründen oder bei Verzug oder bei anderer vorzeitiger Tilgung zahlbar ist, und/oder die Methode zur Berechnung desselben (wenn erforderlich oder wenn anders als in den Bedingungen vorgesehen): [●]

**ALLGEMEINE AUF DIE SCHULDVERSCHREIBUNGEN ANWENDBARE BESTIMMUNGEN**

- 25** Form der Schuldverschreibungen: Schuldverschreibungen, die englischem Recht unterliegen:  
 Inhaberschuldverschreibungen:  
 [Vorläufige Sammelurkunde, die in eine Endgültige Sammelurkunde getauscht werden kann, welche in den in der Endgültigen Sammelurkunde angeführten beschränkten Umständen in effektive Stücke austauschbar ist]  
 [Vorläufige Sammelurkunde, die in den in der [Vorläufigen Sammelurkunde] angeführten beschränkten Umständen in effektive Stücke austauschbar ist]  
 [Endgültige Sammelurkunde, die in den in der Endgültigen Sammelurkunde angeführten beschränkten Umständen in effektive Stücke austauschbar ist]  
 [[Vorläufige Sammelurkunde] / [Endgültige Sammelurkunde], die in effektive Stücke umtauschbar ist, indem der Inhaber dem Fiskalagenten anzeigt, dass er einen Umtausch wählt, wenn die [Vorläufige Sammelurkunde] / [Endgültige Sammelurkunde] für Euroclear oder Clearstream Luxemburg oder ein anderes Clearing System (ein "Alternatives Clearing-System") gehalten wird und das Clearing-System den Geschäftsbetrieb für eine fortlaufende Periode von 14 Tagen einstellt (ausgenommen gesetzliche oder andersartige Ferien) oder die Absicht ankündigt, den Geschäftsbetrieb dauerhaft zu beenden oder dies tatsächlich tut oder wenn das Kapital einer Schuldverschreibung bei Fälligkeit nicht bezahlt

		wird.]
		[Namensschuldverschreibungen]
		Schuldverschreibungen, die österreichischem Recht unterliegen:
		[Inhaberschuldverschreibungen:]
		[Vorläufige Sammelurkunde, die in eine Endgültige Sammelurkunde getauscht werden kann, welche nicht in effektive Stücke austauschbar ist]
		[Endgültige Sammelurkunde, nicht austauschbar gegen effektive Stücke]
		[Namensschuldverschreibungen:]
		[Sammelzertifikat, nicht austauschbar gegen Zertifikate]
		[an Order des registrierten Inhabers (Orderklausel)] [Anmerkung: Nur einfügen, wenn die Übertragung durch Indossament erfolgen soll - wenn dies nicht eingefügt wird, ist eine Übertragung nur durch Zession zulässig]
		[Namensschuldverschreibungen: beschränkte Übertragbarkeit: durch ein Sammelzertifikat verbrieft Stücke können nur gemeinsam übertragen werden]
26	"New Global Note":	[Ja] [Nein] [Zu beachten ist, dass das Programm vorsieht, dass Schuldverschreibungen in NGN – Format emittiert werden können, auch wenn sie <u>nicht als geeignete Sicherheit im Sinne der Geldpolitik des Eurosystems und für Zwecke der untertägigen Kreditfähigkeit durch das Eurosystem entweder bei Emission oder während ihrer Laufzeit anerkannt werden sollen. Vor der Wahl von "Ja" ist abzuwägen, ob die Emittentin wirklich in NGN-Format emittieren möchte, auch wenn in Teil B – Nummer 9(vii) "Nein" gewählt wird.]</u>
27	Finanzzentr(um)(en) oder andere besondere Bestimmungen betreffend Zahlungstage:	[Nicht anwendbar / Einzelheiten anführen. Beachte, dass dieser Begriff sich auf das Datum und den Ort der Zahlung bezieht, und nicht auf die Zeitpunkte der Zinsperiodenenden, auf welche sich die Unterpunkte 15 (ii), 16(v) und 18 (ix) beziehen]
28	Talonscheine für zukünftige Kuponscheine oder Ratenscheine, welche Einzelurkunden angeschlossen sind (und Zeitpunkte, an denen die Talonscheine abreifen)	[Ja/Nein. Wenn ja, Einzelheiten anführen.]
29	Einzelheiten in Bezug auf	[Nicht anwendbar / Einzelheiten anführen]

Teileingezahlte  
Schuldverschreibungen: Betrag jeder  
Zahlung auf den Ausgabepreis und  
Zeitpunkt, an dem eine Zahlung  
erfolgen muss [und die Folgen (wenn  
es solche gibt) eines  
Zahlungsversäumnisses,  
einschließlich des Rechts der  
Emittentin, die  
Schuldverschreibungen und die  
fälligen Zinsen bei verspäteter  
Zahlung verfallen zu lassen]:

- 30** Einzelheiten betreffend Ratenschuldverschreibungen: Betrag jeder Teilzahlung, Zeitpunkt, an dem jede Zahlung erfolgen muss: [Nicht anwendbar / *Einzelheiten anführen*]
- 31** Bestimmungen über die Änderung der Stückelung, der Währung, einer Konvention [Nicht anwendbar / Die Bestimmungen [in Bestimmung ●] sind anwendbar]
- 32** Zusammenführungs- (Konsolidierungs-) bestimmungen: [Nicht anwendbar / Die Bestimmungen [in Bestimmung ●] sind anwendbar]
- 33** Andere Endgültige Bedingungen: [Nicht anwendbar / *Einzelheiten anführen*]  
[[*Wenn andere endgültige Bedingungen aufgenommen werden, sollte erwogen werden, ob solche Bestimmungen "wichtige neue Umstände" darstellen and daher ein Nachtrag zum Prospekt gemäß Art 16 der Prospektrichtlinie erforderlich ist.*]]

## VERTRIEB

- 34** (i) Wenn syndiziert, die Namen der Manager: [Nicht anwendbar / *Namen angeben*].  
(ii) Stabilisierungsmanager (wenn vorhanden): [Nicht anwendbar / *Namen angeben*]
- 35** Wenn nicht-syndiziert, Name des Händlers: [Nicht anwendbar / *Namen angeben*]
- 36** US Verkaufsbeschränkungen: [Reg. S Compliance Category; TEFRA C/TEFRA D/TEFRA nicht anwendbar]
- 37** Zusätzliche Verkaufsbeschränkungen: [Nicht anwendbar / *Einzelheiten anführen*]
- 38** Gerichtsstand und anwendbares Recht: [Österreichisch/Englisch]
- 39** Verbindliche Sprache: [Deutsch/Englisch]  
[Die andere Sprachversion stellt, wenn vorhanden, lediglich eine Übersetzung zum Zweck der Benutzerfreundlichkeit dar / (streichen, wenn nicht anwendbar)]
- 40** Inländische oder Internationale Schuldverschreibungen: [Inländische / Internationale]

### **Zweck der Endgültigen Bedingungen**

Diese Endgültigen Bedingungen beinhalten die endgültigen Bedingungen, die erforderlich sind, um diese Emission von Schuldverschreibungen gemäß dem €30,000,000,000 Debt Issuance Programme der Erste Group Bank AG zu begeben und deren Zulassung zum Handel [an der Wiener Börse AG] [an der Luxemburger Börse] [*anderer Markt*] zu erhalten.

### **Verantwortlichkeit**

Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen enthaltenen Angaben. [(*Relevante Information von Seiten Dritter*) wurde aus (*Quelle angeben*) entnommen. Die Emittentin bestätigt, dass diese Informationen sorgfältig wiedergegeben wurden und dass, soweit ihr bekannt ist und wie sie sich aufgrund der von (*Quelle angeben*) veröffentlichten Angaben versichern konnte, keine Tatsachen verschwiegen wurden, die die wiedergegebenen Informationen unrichtig oder irreführend machen würden.]

Erste Group Bank AG als Emittentin

Durch:

Durch:

Zeichnungsberechtigte Person

Zeichnungsberechtigte Person

## TEIL B - ANDERE INFORMATIONEN

### 1. BÖRSENOTIERUNG UND ZULASSUNG ZUM HANDEL

- (i) Zulassung zum Handel: [Ein Antrag auf Zulassung der Schuldverschreibungen zum Handel an der [Wiener Börse AG] [Luxemburger Börse] mit Wirkung vom [●] wurde von der (oder für die) Emittentin gestellt.] [Ein Antrag auf Zulassung der Schuldverschreibungen zum Handel [maßgeblichen geregelten Markt angeben] mit Wirkung vom [●] soll von der (oder für die) Emittentin gestellt werden.] [Nicht anwendbar.]  
*(Wenn eine Aufstockung dokumentiert wird, Erläuterung, dass die anderen Schuldverschreibungen bereits zum Handel zugelassen sind.)*
- (ii) [Schätzung der gesamten [●] Kosten für die Zulassung zum Handel:\*)

### 2. RATINGS

- Ratings: [Die zu begebenden Schuldverschreibungen haben folgendes Rating:]  
[S&P: [●]]  
[Moody's: [●]]  
[Fitch: [●]]  
[Andere]: [●]]  
*[Kurze Darstellung der Bedeutung des Ratings muss eingefügt werden, wenn diese vorher von der Rating Agentur veröffentlicht wurde.]  
(Obige Offenlegung soll das Rating von Schuldverschreibungen jener Art darstellen, die unter dem Programm generell emittiert werden, oder wenn eine Serie eigens gerated wurde, dieses Rating.)*

### 3. [NOTIFIZIERUNG

Die CSSF [wurde ersucht, zur Verfügung zu stellen / hat zur Verfügung gestellt – die erste Alternative ist bei einer Emission einzufügen, die gleichzeitig mit der Einrichtung oder dem Update des Programms erfolgt, die zweite Alternative für darauf folgende Emissionen], der [Einfügen von Namen der zuständigen Behörden der Aufnahmemitgliedstaaten] eine Bestätigung über die Billigung, womit bescheinigt wird, dass der Prospekt im Einklang mit der Prospektrichtlinie erstellt wurde.]

**4. [INTERESSEN VON NATÜRLICHEN UND JURISTISCHEN PERSONEN, DIE [AN DER EMISSION/AM ANGEBOT] BETEILIGT WAREN**

Eine Beschreibung jeglicher Interessen, einschließlich Interessenskonflikte, die für die Emission / das Angebot von wesentlicher Bedeutung sind, ist einzufügen, wobei die betreffenden Personen zu nennen sind und die Art der Interessen darzulegen ist. Kann durch Einfügen der folgenden Erklärung erfüllt werden:

"Ausgenommen wie unter ["Zeichnung und Verkauf" ("Subscription and Sale")] dargestellt, hat, soweit der Emittentin bekannt ist, keine Person, die am Angebot der Schuldverschreibungen beteiligt ist, ein Interesse von wesentlicher Bedeutung an dem Angebot."

*[(Wenn weitere Beschreibungen hinzugefügt werden, sollte abgewogen werden, ob die beschriebenen Angelegenheiten "wesentliche neue Umstände" begründen und dementsprechend das Erfordernis der Erstellung eines Nachtrages zum Prospekt gemäß Artikel 16 der Prospektrichtlinie auslösen.)]*

**5. [GRÜNDE FÜR DAS ANGEBOT, ERWARTETER NETTOERLÖS UND GESAMTKOSTEN**

[(i) Gründe für das Angebot:

[•]

*(Siehe ["Verwendung des Erlöses" ("Use of Proceeds")] im Prospekt - wenn die Gründe für das Angebot andere sind als Gewinnerzielung und / oder Absicherung bestimmter Risiken, dann sind diese Gründe hier einzufügen)]*

[(ii) Erwarteter Nettoerlös:

[•]

*(Wenn Erlöse mehr als einer Verwendung zukommen sollen, dann Auflistung nach Priorität. Wenn die Erlöse nicht genügen, um alle vorgeschlagenen Verwendungen zu finanzieren, Auflistung der Höhe und der anderen Finanzierungsquellen.)*

[(iii) Geschätzte Gesamtkosten:

[•]

*(Wenn die Schuldverschreibungen derivative Wertpapiere sind, auf die Anhang XII der Prospektverordnung anwendbar ist, müssen] alle Nettoerlöse und Gesamtkosten unter (ii) und (iii) oben nur offen gelegt werden, wenn eine Offenlegung unter (i) oben stattgefunden hat.)\**

**6. [Nur Festverzinsliche Schuldverschreibungen – RENDITE**

Angabe der Rendite:

[•]

Die am Ausgabebetrag auf Basis des Ausgabepreises berechnete Rendite stellt keine Indikation für zukünftige Renditen dar.]

**7. [Nur indexgebundene, aktiengebundene, fondsgebundene, kreditgebundene oder rohstoffgebundene oder futuregebundene oder andere variable-**

**gebundene Schuldverschreibungen – ENTWICKLUNG VON INDEX / FORMEL / BASISWERTAKTIE / BASISWERTFONDS / KREDITEREIGNIS / ROHSTOFF / FUTURE KONTRAKT / ANDERE VARIABLE, ERKLÄRUNG DER AUSWIRKUNGEN AUF DEN WERT DES INVESTMENT UND VERBUNDENE RISIKEN UND ANDERE INFORMATIONEN DEN BASISWERT BETREFFEND**

*Einfügen von Einzelheiten, wo Angaben über die vergangene und künftige Wertentwicklung und Volatilität von Index / Formel / Basiswertaktie / Basiswertfonds / Kreditereignis / Rohstoff / Future Kontrakt / andere Variable eingeholt werden können, und eine klare und umfassende Erläuterung, wie der Wert der Anlage vom Basiswert beeinflusst wird und der Umstände, unter denen die Risiken am offenkundigsten sind.] [Wenn der Basiswert ein Index ist, muss der Name des Index und eine Erklärung, ob der Index von der Emittentin zusammengesetzt wurde, eingefügt werden, und wenn der Index nicht von der Emittentin zusammengesetzt wurde, müssen Einzelheiten, wo die Informationen über den Index bezogen werden können, eingefügt werden. Wenn der Basiswert kein Index ist, müssen gleichwertige Informationen eingefügt werden. Weitere von Punkt 4.2 von Annex XII der Prospektverordnung verlangte Informationen über den Basiswert sind einzufügen.]]\**

*[(Wenn dieser Punkt vervollständigt wird, sollte abgewogen werden, ob die beschriebenen Angelegenheiten "wesentliche neue Umstände" begründen und dementsprechend das Erfordernis der Erstellung eines Nachtrages zum Prospekt gemäß Artikel 16 der Prospekttrichtlinie auslösen.)]*

*Die Emittentin [beabsichtigt die Veröffentlichung von Informationen nach erfolgter Emission [angeben, welche Information veröffentlicht werden wird und wo sie erhältlich ist]] [beabsichtigt keine Veröffentlichung von Informationen nach erfolgter Emission]\*.*

**8. [Nur Doppelwährungs-Schuldverschreibungen - ENTWICKLUNG DE(R)(S) WECHSELKURSE(S) UND ERLÄUTERUNG DER AUSWIRKUNGEN AUF DEN WERT DER ANLAGE**

*Einfügen von Einzelheiten, wo Angaben über die vergangene und künftige Wertentwicklung und Volatilität de(s)(r) relevanten Kurse(s) eingeholt werden kann (können), und eine klare und umfassende Erläuterung, wie der Wert der Anlage vom Basiswert beeinflusst wird und der Umstände, unter denen die Risiken am offenkundigsten sind.]]\**

*[(Wenn dieser Punkt vervollständigt wird, sollte abgewogen werden, ob die beschriebenen Angelegenheiten "wesentliche neue Umstände" begründen und dementsprechend das Erfordernis der Erstellung eines Nachtrages zum Prospekt gemäß Artikel 16 der Prospekttrichtlinie auslösen.)]*

**9. OPERATIVE INFORMATIONEN**

- (i) ISIN Code: [•]
- (ii) Common Code: [•]
- (iii) Clearing System(e)
  - a) für Internationale Schuldverschreibungen: Euroclear Bank S.A./N.V. / Clearstream Banking, Societe Anonyme
  - b) für Inländische Schuldverschreibungen: [OeKB]  
[OeKB und Euroclear Bank S.A./N.V. / Clearstream Banking, Société Anonyme durch ein

- Konto bei OeKB]  
 [Nicht anwendbar / wenn andere Clearing Systeme als oben genannt, Name(n) einfügen]
- (iv) Lieferung: Lieferung [gegen/ohne] Zahlung
- (v) Namen und Adressen der anfänglichen Zahlstelle(n): [●] [Zahlstellen werden entweder Banken oder andere Personen sein, die im EWR oder einem anderen Markt, in dem die Erste Group aktiv ist, befugt sind, als Zahlstelle zu fungieren.]
- (vi) Namen und Adressen von zusätzlicher(n) Zahlstelle(n) (falls vorhanden): [●] [Zahlstellen werden entweder Banken oder andere Personen sein, die im EWR oder einem anderen Markt, in dem die Erste Group aktiv ist, befugt sind, als Zahlstelle zu fungieren.]
- (vii) Soll in einer für das Eurosystem geeigneten Weise verwahrt werden: [Ja] [Nein]  
 [Zu beachten ist, dass die Angabe "Ja" nur meint, dass die Schuldverschreibungen bei Emission bei einem der ICSDs als Common Safekeeper verwahrt werden, und nicht notwendigerweise bedeutet, dass die Schuldverschreibungen als geeignete Sicherheiten für die Eurosystem-Geldpolitik und taggleiche Kreditoperationen durch das Eurosystem anerkannt werden, weder bei Emission noch während ihrer Laufzeit. Die Anerkennung hängt von der Erfüllung der Eurosystem-Auswahlkriterien ab.]  
 [dieser Text ist einzufügen, wenn "Ja" gewählt wurde; in diesem Fall müssen die Schuldverschreibungen als Eurosystem-fähige "NGN" begeben werden.]

*Fußnoten:*

- \* *Erforderlich für derivative Wertpapiere, auf die Annex XII der Prospekt Verordnung anwendbar ist.*
1. *Schuldverschreibungen, die als Pfandbriefe, Kommunalschuldverschreibungen (Öffentliche Pfandbriefe) oder fundierte Bankschuldverschreibungen emittiert werden, müssen als solche bezeichnet werden.*
  2. *Nur Einzelheiten von Nachträgen zum Prospekt einfügen, in denen die Bedingungen für alle künftigen Emissionen unter dem Programm geändert werden.*
  3. *Artikel 14.2 der Prospektrichtlinie bestimmt, dass ein Prospekt unter anderem dann als dem Publikum zur Verfügung gestellt gilt, wenn er (i) dem Publikum in gedruckter Form bei den zuständigen Stellen des Marktes, an dem die Wertpapiere zum Handel zugelassen werden sollen; ODER (ii) am Sitz der Emittentin oder den Zahlstellen; ODER (iii) in elektronischer Form auf der Website der Emittentin zur Verfügung gestellt wird. Artikel 16 der Prospektrichtlinie bestimmt, dass dieselben Bestimmungen auf Nachträge zutreffen.*
  4. *Wenn Mitteilungsfristen bezeichnet werden, die von jenen in den Emissionsbedingungen abweichen, sollte in Betracht gezogen werden, ob die Verbreitung der Information durch Intermediäre, wie zum Beispiel Clearing Systeme und Verwahrer praktikabel ist, genauso wie andere möglicherweise anwendbaren Informationserfordernisse, zum Beispiel zwischen der Emittentin und dem Fiskalagenten.*



## **RESPONSIBILITY STATEMENT OF ERSTE GROUP BANK AG**

Erste Group Bank AG, with its registered office at Graben 21, A-1010 Vienna, Austria, is solely responsible for the information given in this Prospectus.

The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of the knowledge of the Issuer, in accordance with the facts and contains no omission likely to affect its import.

## GLOSSARY AND LIST OF ABBREVIATIONS

For ease of reference, the glossary below sets out certain abbreviations and meanings of certain terms used in the Prospectus. Readers of the Prospectus should always have regard to the full description of a term contained in the Prospectus.

<b>Austrian Banking Act</b>	The Austrian Banking Act 1993 as amended (Bankwesengesetz)
<b>Austrian Capital Markets Act</b>	The Austrian Capital Markets Act 1991 as amended ( <i>Kapitalmarktgesetz</i> )
<b>Austrian Markets</b>	means the Official Market ( <i>Amtlicher Handel</i> ) and the Second Regulated Market ( <i>Geregelter Freiverkehr</i> ) of the Vienna Stock Exchange ( <i>Wiener Börse AG</i> ).
<b>Bank Center Invest</b>	JSC Commercial Bank Center Invest
<b>BCR</b>	means Banca Comercială Română S.A.
<b>CEE</b>	Central Eastern Europe
<b>Česká spořitelna</b>	means Česká spořitelna, a.s.
<b>CGNs</b>	Classical Global Notes
<b>CHF</b>	Swiss Francs
<b>Covered Bonds</b>	Payment obligations under Covered Bonds are secured by a special pool of cover assets. Such cover pool is separated from the assets of the Issuer in insolvency and enforcement proceedings and may not be used to repay claims of other creditors of the Issuer.
<b>CSSF</b>	means the Luxembourg Financial Sector Supervisory Commission ( <i>Commission de Surveillance du Secteur Financier</i> , "CSSF"), the competent authority in Luxembourg for approving prospectuses.
<b>CZK</b>	Czech Koruna
<b>Dual Redemption Notes</b>	Notes during the term of which a fixed coupon is paid. On the date of redemption, the Issuer has the option to choose between redemption in Euro or another currency, the exchange rate between Euro and the foreign currency being fixed at the beginning of the term.
<b>EBV-Leasing</b>	EBV-Leasing Gesellschaft mbH & Co KG
<b>EEA</b>	European Economic Area
<b>Erste Bank Croatia</b>	means Erste & Steiermärkische banka, d.d.
<b>Erste Bank Hungary</b>	means Erste Bank Hungary Nyrt.
<b>Erste Bank Oesterreich</b>	means, after the de-merger of the Austrian banking business, Erste Bank der oesterreichischen Sparkassen AG
<b>Erste Bank Serbia</b>	means Erste Bank a.d., Novi Sad

<b>Erste Bank Ukraine</b>	means JSC Erste Bank
<b>Erste Group</b>	means Erste Group Bank and its subsidiaries and affiliates taken as a whole, such subsidiaries and affiliates including Erste Bank Oesterreich in Austria, Česká spořitelna, a.s. in the Czech Republic, Slovenská sporiteľňa, a.s. in the Slovak Republic, Erste Bank Hungary Nyrt. in Hungary, Banca Comercială Română S.A. in Romania, Erste & Steiermärkische banka, d.d. in Croatia, Erste Bank a.d., Novi Sad in Serbia, JSC Erste Bank in the Ukraine, Salzburger Sparkasse Bank AG, Tiroler Sparkasse Bankaktiengesellschaft Innsbruck, other savings banks of the Haftungsverbund, ERSTE-SPARINVEST Kapitalanlagengesellschaft m.b.H., Bausparkasse der österreichischen Sparkassen Aktiengesellschaft, Sparkassen Versicherung AG, EBV-Leasing Gesellschaft mbH & Co KG, IMMORENT AG, S-Wohnbaubank AG, and others.
<b>Erste Group Bank</b>	means Erste Group Bank AG
<b>Erste SparInvest</b>	ERSTE-SPARINVEST Kapitalanlagengesellschaft m.b.H.
<b>EUR</b>	Euro
<b>EURIBOR</b>	means the Euro Inter-bank Offered Rate
<b>Fixed Rate Notes</b>	Notes on which interest is fixed during the term of the Note.
<b>Floating Rate Notes</b>	Notes on which interest is payable with a variable coupon, and which are redeemed at par.
<b>FMA</b>	The Austrian Financial Markets Authority
<b>GCIB</b>	Group Corporate and Investment Banking
<b>Haftungsverbund</b>	is described on page 157
<b>HRK</b>	Croatian Kuna
<b>HUF</b>	Hungarian Forint
<b>IMMORENT</b>	IMMORENT AG
<b>ICMA</b>	means the International Capital Markets Association
<b>Instalment Notes</b>	Notes where the issue price is payable in more than one instalment.
<b>ISDA</b>	means the International Swaps and Derivatives Association, Inc.
<b>ISDA Definitions</b>	means the 2000 ISDA Definitions, as published by ISDA, unless otherwise specified
<b>LIBOR</b>	means the London Inter-bank Offered Rate
<b>Markets</b>	means the Austrian Markets and the regulated market of the Luxembourg Stock Exchange ( <i>Bourse de Luxembourg</i> ).
<b>MiFID</b>	means the Directive 2004/39/EC on markets in financial instruments

<b>MSOP</b>	means Management Stock Option Plan
<b>NGNs</b>	New Global Notes
<b>OeKB</b>	Oesterreichische Kontrollbank Aktiengesellschaft, Am Hof 4; 1011 Vienna, Austria
<b>PLN</b>	Polish Zloty
<b>Prospectus Directive</b>	means the Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003
<b>Reverse Convertible Notes</b>	Notes which provide the Issuer with the right to convert Notes into shares or other underlyings.
<b>RON</b>	Romanian Leu
<b>Salzburger Sparkasse</b>	means Salzburger Sparkasse Bank AG
<b>S-Bausparkasse</b>	Bausparkasse der österreichischen Sparkassen Aktiengesellschaft
<b>SEE</b>	South Eastern Europe
<b>Senior Notes</b>	Senior Notes constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer, save for any obligations required to be preferred by law.
<b>Slovenská sporiteľňa</b>	means Slovenská sporiteľňa, a.s.
<b>SME</b>	small and medium enterprises
<b>Subordinated Notes</b>	Notes which are unsecured and subordinated obligations. In the event of a bankruptcy or liquidation of the Issuer, holders of Subordinated Notes would receive payments on any outstanding Subordinated Notes only after senior Noteholders and other senior creditors of the Issuer have been paid in full, if and to the extent that there is still cash available for those payments. In case of Supplementary Capital Notes which have shared in net losses of the Issuer, the Notes will only be redeemed subject to the pro rata deduction of the net losses which have accrued since the date of issuance of the Notes.
<b>S-Wohnbaubank</b>	S-Wohnbaubank AG
<b>Tier 1 Notes</b>	The Tier 1 Notes are subordinated and perpetual securities in respect of which there will be no fixed redemption date. Tier 1 Notes are profit-related, subordinated and perpetual.
<b>Tiroler Sparkasse</b>	Tiroler Sparkasse Bankaktiengesellschaft Innsbruck
<b>UAH</b>	Ukrainian Hryvnya
<b>UCITS</b>	means undertakings for collective investment in transferable securities
<b>UCITS Directive</b>	means the Council Directive 85/611/EEC of 20 December 1985 on the coordination of laws, regulations and administrative provisions relating to UCITS

**US dollars and US\$**

means the currency of the United States of America

**VIG**

Vienna Insurance Group

**Zero Coupon Notes**

Zero Coupon Notes are Notes which do not include any coupon. The difference between the redemption price and the issue price constitutes the yield, in lieu of periodic interest payments. Therefore, the investor receives only one payment: the sales proceeds of a sale prior to maturity or the redemption amount at maturity.

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