

Investment Banking

Base Prospectus

for Investment Products
dated 25 September 2018



Base Prospectus

for Investment Products

dated 25 September 2018

Vontobel Financial Products GmbH

Frankfurt am Main, Germany

(the "**Issuer**")

Bank Vontobel Europe AG

Munich, Germany

(in its capacity as offeror, the "**Offeror**" and
in its capacity as guarantor the "**German Guarantor**", as the case may be)

Vontobel Holding AG

Zurich, Switzerland

(the "**Swiss Guarantor**", as the case may be;
the Swiss Guarantor and the German Guarantor together the "**Guarantors**" and each a "**Guarantor**")

This document constitutes a base prospectus pursuant to Article 5, paragraph (4) of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 as amended from time to time (the "**Prospectus Directive**") and as implemented into German law by section 6 of the German Securities Prospectus Act (*Wertpapierprospektgesetz* – "**WpPG**") in connection with Regulation (EC) No. 809/2004 of 29 April 2004 as amended from time to time (the "**Base Prospectus**").

Vontobel Financial Products GmbH (the "**Issuer**") has made an application for approval of the Base Prospectus to the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "**BaFin**") as competent authority. The BaFin approved the Base Prospectus after completing a review of this document for completeness, including a review of the coherence and comprehensibility of the information provided pursuant to section 13 paragraph 1 sentence 2 WpPG. Following the date of approval of the Base Prospectus, events and changes may occur, which render the information contained in the Base Prospectus incorrect and/or incomplete. The Issuer will publish a supplement to the Base Prospectus in accordance with section 16 WpPG in case of a significant new factor or a material mistake or inaccuracy with respect to the information contained in the Base Prospectus.

The Base Prospectus must be read in connection with the information contained in (i) the registration document of the Issuer and the registration documents of Bank Vontobel Europe AG and Vontobel Holding AG (in their capacity as a guarantor, the "**Guarantor**") which are incorporated by reference into the Base Prospectus (see section 13 of the Base Prospectus), (ii) the respective final terms of the offer as drawn up in connection with the Securities (the "**Final Terms**") and (iii) any supplement to the Base Prospectus pursuant to section 16 WpPG. The Base Prospectus, the respective registration documents and any supplements thereto are accessible on the website certificates.vontobel.com under the section <<Legal Documents>>, whereby the Final Terms for a particular issue are accessible by entry of the respective ISIN on the website certificates.vontobel.com.

No one has the right to disseminate any information or make statements that are not included in the Base Prospectus in connection with the issue, sale and offering of the Securities. The Issuer, the Guarantors and the Offeror reject any liability for information from third parties that are not contained in the Base Prospectus.

Neither the Base Prospectus nor any supplements thereto nor the respective Final Terms shall constitute an offer or a solicitation to any person to buy any securities issued under the Base Prospectus (the "**Securities**") and should not be construed as a recommendation of the Issuer, the Guarantors or the Offeror to purchase securities. The distribution of the Base Prospectus and the offer and sale of Securities may be subject to legal restrictions in certain jurisdictions. Persons into whose possession the Base Prospectus or Securities pass are obliged to inform themselves about and comply with such restrictions, in particular restrictions in connection with the distribution of the Base Prospectus and the offer or sale of Securities in the United States of America and the offer or sale of Securities in the member states of the European Economic Area. The Securities may only be offered or sold if all applicable securities laws and other provisions applicable in the jurisdiction in which the purchase, offer, sale or delivery of securities is intended or in which this Base Prospectus is distributed or held are complied with, and if all consents and approvals required under this jurisdiction for the purchase, offer, sale or delivery of securities have been obtained. The Issuer, Guarantors and the Offeror make no representation as to the legality of the distribution of the Base Prospectus and assume no responsibility that the distribution of the Base Prospectus or a public offering is permissible. For further information on selling restrictions see section 6.9 of the Base Prospectus.

Potential investors in the Securities are explicitly reminded that an investment in Securities entails financial risks. Holders of Securities are exposed to the risk of losing all (total loss) or part of the amount invested by them in the Securities. No-one should purchase the Securities without having detailed knowledge of their method of operation, the total costs involved and the related risk factors. Only those who are in no doubt about the risks and are financially able to bear the losses that may be associated with them should purchase these types of Securities. Potential investors should therefore carefully read the whole Base Prospectus, in particular the risk factors including any supplements thereto as well as the respective Final Terms, understand the terms and conditions of the issue in detail and assess the suitability of the relevant investment, in each case taking into account their own financial, tax and other circumstances. In cases of doubt potential investors should seek advice by a competent investment, legal or tax advisor.

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*The following summary in this section 1 of the Base Prospectus contains options and placeholders marked with square brackets or in italics with respect to the securities that may be issued under the Base Prospectus. For each particular issue an issue specific summary (the "**Issue Specific Summary**") will be prepared by selecting and/or completing the applicable options and placeholders and deleting options which are not applicable. The Issue Specific Summary will be annexed to the particular final terms (the "**Final Terms**").*

1. Summary

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A – E (A.1 – E.7). This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

Section A – Introduction and warnings

A.1	Warnings	The summary should be read as an introduction to the base prospectus dated 25 September 2018 as supplemented from time to time (the "Base Prospectus"). Any decision to invest in the securities (the "Securities") should be based on a consideration of the Base Prospectus as a whole, including the information incorporated by reference together with any supplements and the Final Terms published in connection with the issue of the Securities. In the event that claims relating to the information contained in the Base Prospectus are brought before a court, the plaintiff investor might, under the national legislation of the states of the European Economic Area, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. Vontobel Financial Products GmbH (the "Issuer") and Bank Vontobel Europe AG ([in its capacity as the offeror,]the "Offeror"[and in its capacity as the guarantor, the "[German Guarantor"] [and Vontobel Holding AG (the "[Swiss Guarantor")] have assumed responsibility for this summary including any translation thereof. [However, Bank Vontobel Europe AG has assumed responsibility only with respect to the information relating to itself and to the guarantee under German law.] [However, Vontobel Holding AG has assumed responsibility only with respect to the information relating to itself and to the guarantee under Swiss law.] Those persons which have assumed responsibility for this summary including any translation thereof, or persons responsible for the issue, can be held liable, but only in the event that the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus, or if, when read together with the other parts of the Base Prospectus, it does not provide all the key information required.
A.2	Consent to the use of the prospectus	The Issuer and the Offeror consent to the use of the Base Prospectus for a public offer of the Securities in [the Czech Republic][,][and][Denmark][,][and][Finland][,][and][France][,][and][Hungary][,][and][Italy][,][and][the Netherlands][,][and][Norway][and][Sweden] ("Public Offer") (general consent). The Issuer reserves the right to withdraw its consent to the use of the Base Prospectus with respect to certain distributors and/or all financial intermediaries.
	Offer period for resale by financial intermediaries	The subsequent resale and final placing of the Securities by financial intermediaries may take place during the Offer Period. "Offer Period" means [the period beginning on [insert the start date of the public offer: ●] and ending with the term of the Securities (see C.15) (presumably on the [insert the valuation date of the Securities: ●]) [in case the term of the Securities outlast the last day of validity of the Base Prospectus, add: or – in case that a base prospectus which follows the Base Prospectus has not been published on the website certificates.vontobel.com under the section <<Legal Documents>> until the last date of the validity of the Base Prospectus – with expiration of the validity of the Base Prospectus pursuant to section 9 of the German Securities Prospectus Act (<i>Wertpapierprospektgesetz</i>, "WpPG")].
	Conditions to which consent	This consent by the Issuer and the Offeror is subject to the conditions (i) that the Base Prospectus and the Final Terms are provided to potential investors only together with all

is linked supplements published up to the time of such provision and (ii) that, in making use of the Base Prospectus and the Final Terms, the financial intermediary ensures that it complies with the applicable selling restrictions as well as all applicable rules and regulations in the respective jurisdiction.

Statement that information about the terms and conditions of the offer made by a financial intermediary must be made available by the latter

If the offer for the purchase of the Securities is made by a financial intermediary, the information about the terms and conditions of the offer must be made available by the respective financial intermediary at the time the offer is made.

Section B – Issuer and Guarantor

B.1	Legal and commercial name	The legal and commercial name of the Issuer is Vontobel Financial Products GmbH.
B.2	Domicile, legal form, applicable legislation and country of incorporation	The domicile of the Issuer is Frankfurt am Main, Germany. Its business address is: Bockenheimer Landstraße 24, 60323 Frankfurt am Main, Germany. The Issuer is a limited liability company (<i>Gesellschaft mit beschränkter Haftung</i>) incorporated under German law in Germany and is registered with the commercial register of the local court (<i>Amtsgericht</i>) at Frankfurt am Main under the register number HRB 58515.
B.4b	Known trends	The Issuer's business is in particular affected by the economic development, especially in Germany and Europe, as well as by the overall conditions in the financial markets. In addition, the political environment also affects the Issuer's business. Furthermore, possible regulatory changes may have a negative impact on the demand or the cost side for the Issuer.
B.5	Group structure and position of the Issuer within the group	The Issuer has no subsidiaries. All of the shares in the Issuer are held by Vontobel Holding AG, the parent company of the Vontobel group (the " Vontobel Group "). Established in 1924 and headquartered in Zurich, the Vontobel Group is a Swiss private banking group with international activities. The Vontobel Group provides global financial services on the basis of the Swiss private banking tradition. The business units on which the Vontobel Group is focused are (i) Private Banking, (ii) Asset Management and (iii) Investment Banking.
B.9	Profit forecasts or estimates	– not applicable – A profit forecast or estimate has not been included.
B.10	Qualifications in the audit report on the historical financial information	– not applicable – There are no such qualifications.
B.12	Selected key historical financial information	The following selected financial information has been taken from the Issuer's audited financial statements for the financial years 2016 and 2017 which were prepared in accordance with the provisions of the German Commercial Code (<i>Handelsgesetzbuch</i>) and the German Law on Limited Liability Companies (<i>Gesetz betreffend die Gesellschaften mit beschränkter Haftung</i>).

Balance Sheet

	31 DECEMBER 2016	31 DECEMBER 2017
	(EUR)	(EUR)
Receivables from affiliated companies (current assets)	1,351,901,297	1,775,739,225
Bank balances (current assets)	2,634,324	2,794,745

Issuance liabilities (liabilities)	1,351,709,919	1,775,673,062
Capital reserves (equity)	2,000,000	2,000,000
Total assets	1,368,192,787	1,792,365,993

Income Statement

	1 JANUARY TO 31 DECEMBER 2016	1 JANUARY TO 31 DECEMBER 2017
	(EUR)	(EUR)
Realised and unrealised gains and losses from the issuance business	66,703,677	-169,920,453
Realised and unrealised gains and losses from hedging transactions	-62,150,137	175,348,590
Other operating expenses	3,451,117	4,412,343
Net income for the year	331,782	347,332

The following selected financial information has been taken from the Issuer's unaudited interim financial statement as of 30 June 2018 which has been prepared in accordance with the provisions of the German Commercial Code (*Handelsgesetzbuch*) and the German Law on Limited Liability Companies (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung*).

Balance Sheet

	31 DECEMBER 2017	30 JUNE 2018
	(EUR)	(EUR)
Receivables from affiliated companies (current assets)	1,775,739,225	1,798,620,666
Bank balances (current assets)	2,794,745	2,155,388
Issuance liabilities (liabilities)	1,775,673,062	1,798,620,666
Capital reserves (equity)	2,000,000	2,000,000
Total assets	1,792,365,993	1,814,477,506

Income Statement

	1 JANUARY 2017 TO 30 JUNE 2017	1 JANUARY 2018 TO 30 JUNE 2018
	(EUR)	(EUR)
Realised and unrealised gains and losses from the issuance business	-39,310,631	159,309,803
Realised and unrealised gains and losses from hedging transactions	41,986,796	-156,683,211
Other operating expenses	2,146,209	2,243,837
Net income for the year	144,996	105,464

Statement about There have been no material adverse changes in the prospects of the Issuer since the

	the Issuer's prospects	reporting date for the audited annual financial statements (31 December 2017).
	Statement about changes in the Issuer's position	– not applicable – No significant changes have occurred in the financial or trading position of the Issuer since the reporting date for the unaudited interim financial statements (30 June 2018).
B.13	Recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.	– not applicable – There have been no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.
B.14	Group structure and position of the Issuer within the group/	With respect to the organizational structure, see B.5 above.
	Dependence of the Issuer on other entities within the group	– not applicable – The Issuer has no subsidiaries. Since all of the shares in the Issuer are held by Vontobel Holding AG, the parent company of the Vontobel Group, the Issuer is, however, dependent on Vontobel Holding AG.
B.15	Description of the Issuer's principal activities	The Issuer's principal activity is to issue securities and derivative securities and to carry out financial transactions and auxiliary transactions of financial transactions. Activities that require authorisation under the German Banking Act (Gesetz über das Kreditwesen) are excluded. The Issuer may furthermore conduct all business activities that are directly or indirectly related to its main purpose and also carry out all activities that could directly or indirectly serve to promote the main purpose of the Issuer. The Issuer may also set up, acquire, or dispose of subsidiaries or branches in Germany and other countries, or acquire interests in other companies.
B.16	Interests in and control of the Issuer	All of the shares in the Issuer are held by Vontobel Holding AG, the parent company of the Vontobel Group. There is no control agreement and no profit and loss transfer agreement between the Issuer and Vontobel Holding AG. The major shareholders of Vontobel Holding AG (Vontobel Foundation, Vontrust AG, Advontes AG, Pellegrinus Holding AG, and an extended pool) are parties to a pooling agreement. As of 31 December 2017, 50.7% of all shares of Vontobel Holding AG issued are bound by the pooling agreement.
B.18	Description of the nature and scope of the guarantee	The due payment by the Issuer of all amounts payable in accordance with the terms and conditions (the "Terms and Conditions") of the Securities issued under the Base Prospectus is guaranteed by the Guarantor (the "Guarantee"). <i>[in relation to Securities which are guaranteed by Bank Vontobel Europe AG:</i> Upon first written demand by the respective security holders (the "Security Holders") and their written confirmation that an amount under the Securities has not been paid when due by the Issuer, Bank Vontobel Europe AG as the Guarantor shall pay to them all amounts required to fulfil the intent and purpose of the Guarantee. The intent and purpose of the Guarantee is to ensure that the Security Holders, under any and all circumstances, whether factual or legal, and irrespective of the validity or the enforceability of the obligations of the Issuer, or any other reasons on the basis of which the Issuer may fail to fulfil its payment obligations, receive on the respective due date any and all sums payable on the maturity date in accordance with the Terms and Conditions of the Securities. The Guarantee constitutes a contract in favour of the Security Holders as third party beneficiaries pursuant to section 328 paragraph (1) of the German Civil Code (Bürgerliches Gesetzbuch). The form and content of the Guarantee as well as all rights and duties arising therefrom are governed exclusively by the laws of Germany. Non-exclusive court of venue for all litigation with the Guarantor and arising from the legal relations established under the

Guarantee is Munich.]

[in relation to Securities which are guaranteed by Vontobel Holding AG:

The Guarantee represents an independent, unsecured and unsubordinated obligation of the Guarantor.

Upon first demand by the respective security holders (the "**Security Holders**") and their written confirmation that an amount under the Securities has not been paid when due by the Issuer, Vontobel Holding AG as the Guarantor will pay to them immediately all amounts required to fulfil the intent and purpose of the Guarantee.

The intent and purpose of the Guarantee is to ensure that, under all factual or legal circumstances and irrespective of motivations, defences, or objections on the grounds of which payments may fail to be made by the Issuer, and irrespective of the effectiveness and enforceability of the obligations of the Issuer under the Securities, the Security Holders receive the amounts payable on the redemption date and in the manner specified in the Terms and Conditions.

The Guarantee represents an independent guarantee under Swiss law. All rights and obligations arising from the Guarantee are subject in all respects to Swiss law. The courts of law of the Canton of Zurich have exclusive jurisdiction over all actions and legal disputes relating to the Guarantee. The place of jurisdiction is Zurich 1.]

[in case of Bank Vontobel Europe AG as (German) Guarantor, insert:

B.19 with B.1	Legal and commercial name of the Guarantor	The German Guarantor's legal and commercial name is Bank Vontobel Europe AG.
B.19 with B.2	Domicile, legal form, applicable legislation and country of incorporation of the Guarantor	The German Guarantor is domiciled in Munich, Germany. Its business address is: Alter Hof 5, 80331 Munich, Germany. The German Guarantor is a stock corporation (<i>Aktiengesellschaft</i>) incorporated under German law in Germany. The German Guarantor is registered with the commercial register of the local court (<i>Amtsgericht</i>) at Munich under the register number HRB 133419.
B.19 with B.4b	Known trends relating to the Guarantor	The prospects of the German Guarantor are influenced in context of the continuing business operations of the companies of the Vontobel-Group, by changes in the environment (markets, regulations), as well as by market, liquidity, credit and operational risks usually assumed with the launch of new activities (new products and services, new markets) and by reputational risks. In addition to the various market factors such as interest rates, credit spreads, exchange rates, prices of shares, prices of commodities and corresponding volatilities, the current monetary and interest rate policies of central banks are particularly to be mentioned as key influence factors.
B.19 with B.5	Group structure and position of the Guarantor within the group	All shares of the German Guarantor are held by the group parent company, Vontobel Holding AG, Zurich, Switzerland. The German Guarantor has no subsidiaries.
B.19 with B.9	Profit forecasts or estimates of the Guarantor	– not applicable – A profit forecast or estimate has not been included.
B.19 with B.10	Qualifications in the audit report of the Guarantor on historical financial information	– not applicable – There are no such qualifications.
B.19 with B.12	Selected key historical financial information of the Guarantor	The following selected financial information has been taken from the Guarantor's audited financial statements for the financial years 2016 and 2017 which were prepared in accordance with the applicable statutory provisions (German Stock Corporation Act (<i>Aktiengesetz</i>); German Commercial Code (<i>Handelsgesetzbuch</i>); and the German Accounting Directive for Banks and Financial Services Providers (<i>Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute</i> , " RechKredV ")) as

specified by the German Accounting Law Modernisation Act (*Bilanzrechtsmodernisierungsgesetz*). In accordance with section 1 RechKredV in conjunction with section 2 RechKredV, the Bank prepared its balance sheet using Form 1 and its income statement using Form 3 (vertical presentation format) with supplementary items.

Balance Sheet

	31 DECEMBER 2016	31 DECEMBER 2017
	(EUR THOUSAND)	(EUR THOUSAND)
Total assets	236,080	244,506
Equity	78,028	76,960
Liabilities to banks	8	344
Liabilities to clients	149,291	156,312
Cash reserve	24,746	105,994
Receivables from banks	108,778	31,408
Receivables from customers	38,948	44,758
Debt instruments	55,399	53,846
Intangible fixed assets	39	1,525
Tangible fixed assets	489	446,237
Prepaid expenses	147	69,040
Other assets	7,534	6,461

Income Statement

	1 JANUARY TO 31 DECEMBER 2016	1 JANUARY TO 31 DECEMBER 2017
	(EUR THOUSAND)	(EUR THOUSAND)
Interest income	1,335	1,583
Interest expense	-9	1,424
Commission income	31,041	35,292
Other operating income	1,135	1,428
General and administrative expenses	-26,655	-30,505

Statement about the Guarantor's prospects There have been no material adverse changes in the prospects of the German Guarantor since the reporting date for the audited annual financial statements (31 December 2017).

Statement about changes in the Guarantor's position (31 December 2017). No significant changes have occurred in the financial or trading position of the German Guarantor since the reporting date for the audited annual financial statements

B.19	Recent events	– not applicable –
with	particular to the	
B.13	Guarantor which are to a material extent relevant to the evaluation of the Guarantor's solvency	There have been no recent events particular to the German Guarantor which are to a material extent relevant to the evaluation of the German Guarantor's solvency.

B.19 with B.14	Group structure and position of the Guarantor within the group/	With respect to the organizational structure, see B.19 with B.5 above.
	Dependence of the Guarantor on other entities within the group	The German Guarantor has no subsidiaries. Since all of the shares in the German Guarantor are held by Vontobel Holding AG, the parent company of the Vontobel Group, the German Guarantor is, however, dependent on Vontobel Holding AG.
B.19 with B.15	Description of the principal activities of the Guarantor	Pursuant to Article 2 of the Articles of Association dated 2 May 2010, the corporate purpose of the Guarantor comprises the performance of banking activities covering deposit business, credit business, principal broking services, safe custody business, guarantee business, checking account business and underwriting business. Furthermore, the corporate purpose of the Guarantor comprises the performance of financial services which comprises investment broking, investment advice, placement business, contract broking, financial portfolio management, proprietary trading, non-EEA deposit broking, rendering of banking related supporting services and all other business which may directly or indirectly support the object of the Guarantor.
B.19 with B.16	Interests in and control of the Guarantor	All of the shares in the German Guarantor are held by Vontobel Holding AG, the parent company of the Vontobel Group. The major shareholders of Vontobel Holding AG (Vontobel Foundation, Vontrust AG, Advontes AG, Pellegrinus Holding AG, and an extended pool) are parties to a pooling agreement. As of 31 December 2017, 50.7% of all shares of Vontobel Holding AG issued are bound by the pooling agreement.
<i>[in case of Vontobel Holding AG as (Swiss) Guarantor, insert:</i>		
B.19 with B.1	Legal and commercial name of the Guarantor	The Swiss Guarantor's legal and commercial name is Vontobel Holding AG.
B.19 with B.2	Domicile, legal form, applicable legislation and country of incorporation of the Guarantor	The Swiss Guarantor is domiciled in Zurich. Its business address is: Gotthardstrasse 43, 8002 Zurich, Switzerland. The Swiss Guarantor is a stock corporation (<i>Aktiengesellschaft</i>) under Swiss law listed on the SIX Swiss Exchange AG and was incorporated in Switzerland. The Swiss Guarantor is entered in the commercial register of the Canton of Zurich under register number CH-020.3.928.014-4.
B.19 with B.4b	Known trends	The prospects of Vontobel Holding AG are influenced in context of the continuing business operations of the companies of Vontobel-Group, by changes in the environment (markets, regulations), as well as by market, liquidity, credit and operational risks usually assumed with the launch of new activities (new products and services, new markets) and by reputational risks. In addition to the various market factors such as interest rates, credit spreads, exchange rates, prices of shares, prices of commodities and corresponding volatilities, the current monetary and interest rate policies of central banks are particularly to be mentioned as key influence factors.
B.19 with B.5	Group structure and position of the Guarantor within the group	The Swiss Guarantor is the parent company of the Vontobel Group which consists of banks, capital markets companies and other Swiss and foreign companies. The Swiss Guarantor holds all of the shares in the Issuer.
B.19 with B.9	Profit forecasts or estimates of the Guarantor	– not applicable – A profit forecast or estimate has not been included.
B.19 with B.10	Qualifications in the audit report on historical financial information of the Guarantor	– not applicable – There are no such qualifications.
B.19	Selected key	The following selected financial information has been taken from the Swiss Guarantor's

with historical financial audited consolidated annual financial statements for the financial years 2016 and 2017 which
B.12 information of the have been prepared in accordance with International Financial Reporting Standards (IFRS).
 Guarantor

Balance Sheet

	31 DECEMBER 2016 (CHF MILLION)	31 DECEMBER 2017 (CHF MILLION)
Total assets	19,393.9	22,903.7
Shareholders' equity (excluding minority interests)	1,514.1	1,620.5
Due to customers	9,058.5	9,758.2

Income Statement

	1 JANUARY TO 31 DECEMBER 2016 (CHF MILLION)	1 JANUARY TO 31 DECEMBER 2017 (CHF MILLION)
Total operating income	1,081.1	1,060.3
<i>thereof...</i>		
<i>...net interest income</i>	67.7	68.7
<i>...fee and commission income</i>	648.7	692.9
<i>...trading income</i>	250.0	288.8
<i>...other income</i>	114.7	9.9
Operating expense	759.8	801.0
<i>thereof...</i>		
<i>...personnel expense</i>	484.8	532.6
<i>...general expense</i>	189.7	205.0
<i>...depreciation, amortization</i>	62.3	61.0
<i>...valuation adjustments, provisions and losses</i>	23.0	2.4
Group net profit	264.4	209.0

BIS capital ratios¹⁾

	31 DECEMBER 2016	31 DECEMBER 2017
CET 1 capital ratio (%) ²⁾	19.0	18.4
Tier 1 capital ratio (%) ³⁾	19.0	18.4
Total capital ratio (%)	19.0	18.4

¹⁾ The Bank for International Settlements (BIS) is the oldest international organisation in the area of finance. It manages parts of the international foreign exchange reserves and is thus de facto regarded as the bank of the world's central banks. The BIS is based in Basel (Switzerland). It publishes capital adequacy requirements and related equity ratios.

²⁾ At present, the Vontobel Group's equity consists exclusively of Common Equity Tier 1 capital.

³⁾ Tier 1 capital is also referred to as core capital. It is a component of a bank's capital and consists primarily of paid-in capital (share capital) and retained earnings (revenue reserves, liability reserve, fund for general banking risks).

Risk ratio¹⁾

	31 DECEMBER 2016	31 DECEMBER 2017
Average Value at Risk (market risk)	2.7	2.5

¹⁾ Average Value at Risk 12 months for positions in the Financial Products division of the Investment Banking business unit. Historical simulation Value at Risk; 99% confidence level; 1-day holding period; 4-year historical observation period.

The following selected financial information has been taken from the unaudited consolidated interim financial information as of 30 June 2018 which has been prepared in accordance with International Financial Reporting Standards (IFRS).

Balance Sheet

	30 JUNE 2017 (CHF MILLION)	30 JUNE 2018 (CHF MILLION)
Total assets	21,981.9	21,166.1
Shareholders' equity (excluding minority interests)	1,515.7	2,678.8
Due to customers	9,638.0	9,789.3

Income Statement

	6 MONTHS ENDING 30 JUNE 2017 (CHF MILLION)	6 MONTHS ENDING 30 JUNE 2018 (CHF MILLION)
Total operating income	517.5	583.3
<i>thereof...</i>		
<i>...net interest income after credit losses</i>	34.7	37.2
<i>...net fees and commission income</i>	333.6	378.5
<i>...trading income</i>	143.5	166.3
<i>...other income</i>	5.7	1.3
Operating expense	395.0	422.4
<i>thereof...</i>		
<i>...personnel expense</i>	262.1	276.6
<i>...general expense</i>	101.8	111.3
<i>...depreciation of property, equipment and intangible assets</i>	29.7	32.1
<i>...provisions and losses</i>	1.4	2.4
Group net profit	101.5	132.7

BIS capital ratios¹⁾

30 JUNE 2017	30 JUNE 2018

CET 1 capital ratio (%) ²⁾	19.3	19.1
Tier 1 capital ratio (%) ³⁾	19.3	26.4

¹⁾ The Bank for International Settlements (BIS) is the oldest international organisation in the area of finance. It manages parts of the international foreign exchange reserves and is thus de facto regarded as the bank of the world's central banks. The BIS is based in Basel (Switzerland). It publishes capital adequacy requirements and related equity ratios.

²⁾ At present, the Vontobel Group's equity consists exclusively of Common Equity Tier 1 capital.

³⁾ Tier 1 capital is also referred to as core capital. It is a component of a bank's capital and consists primarily of paid-in capital (share capital) and retained earnings (revenue reserves, liability reserve, fund for general banking risks).

Risk ratio¹⁾

	30 JUNE 2017	30 JUNE 2018
Average Value at Risk (market risk)	2.5	4.6

¹⁾ Average Value at Risk 6 months for positions in the Financial Products division of the Investment Banking business unit. Historical simulation of Value at Risk; 99 % confidence level; 1-day holding period; 4-year historical observation period.

	Statement about the Guarantor's prospects	There have been no material adverse changes in the prospects of the Swiss Guarantor since the reporting date for the most recent audited annual financial statements (31 December 2017).
	Statement about changes in the Guarantor's position	– not applicable – No significant changes have occurred in the financial or trading position of the Swiss Guarantor since the reporting date for the unaudited interim financial statements (30 June 2018).
B.19 with B.13	Recent events particular to the Guarantor which are to a material extent relevant to the evaluation of the Guarantor's solvency	– not applicable – There have been no recent events particular to the Swiss Guarantor which are to a material extent relevant to the evaluation of the Swiss Guarantor's solvency.
B.19 with B.14	Group structure and position of the Guarantor within the group/ Dependence of the Guarantor on other entities within the group	The Swiss Guarantor is the parent company of the Vontobel Group. With respect to other aspects of the organisational structure, see B.19 with B.5 above. The business activities of the Swiss Guarantor are therefore affected in particular by the situation and activities of the operating (consolidated) Vontobel companies.
B.19 with B.15	Description of the principal activities of the Guarantor	Pursuant to Article 2 of the Articles of Association, the object of Vontobel Holding AG is to invest in companies of all types in Switzerland and abroad. The Swiss Guarantor may acquire, encumber and sell property in Switzerland and abroad. It may also transact any business that may serve to realise its business objective. The Vontobel Group is a Swiss private banking group with international activities headquartered in Zurich. It specialises in asset management for private and institutional clients and partners and carries out its activities in three business units, Private Banking, Investment Banking and Asset Management.
B.19	Interests in and	The major shareholders of Vontobel Holding AG (Vontobel Foundation, Vontrust AG,

with control of the Advontes AG, Pellegrinus Holding AG, and an extended pool) are parties to a pooling
B.16 Guarantor agreement. As of 31 December 2017, 50.7% of all shares of Vontobel Holding AG issued are bound by the pooling agreement.

]

Section C – Securities

C.1 Type and class of the securities, securities identification numbers The Securities are tradable^{[only in case of Italian Uncertificated Certificates: and characterized as securitized derivatives classified as Class [A] [and/or] [B] according to the current rules and instructions of Borsa Italiana S.p.A.]. The level of the Cash Amount (see Element C.15 below) depends on the performance of the [respective] underlying (see Elements C.15 and C.20 below).}

Form of the Securities

[Securities in the form of German Global Certificates: The Securities [of each Series] represent bearer bonds in accordance with section 793 of the German Civil Code (Bürgerliches Gesetzbuch, "BGB") and will be evidenced by a global certificate (Sammelurkunde) in accordance with section 9 a of the German Securities Custody Act (Depotgesetz) (the "Global Certificate"). The Global Certificate will be deposited with the Central Securities Depository (as defined below). No definitive securities will be issued.]

[Securities in the form of Swiss Uncertificated Securities: The Securities [of each Series] represent intermediated securities (the "Intermediated Securities") within the meaning of the Swiss Federal Act on Intermediated Securities (Bundesgesetz über Bucheffekten, "BEG"). They will be issued initially in dematerialised form pursuant to article 973 c of the Swiss Civil Code (Zivilgesetzbuch) (law of obligations) as uncertificated securities (Wertrechte). Uncertificated securities are created by the Issuer by registration with a register of uncertificated securities maintained by the Issuer. These uncertificated securities are then registered with the main register of the Central Securities Depository. When the uncertificated securities are registered with the main register of the Central Securities Depository and credited in one or more securities accounts, Intermediated Securities are created in accordance with article 6 (1) c) BEG.]

[Securities in the form of Danish Uncertificated Securities: The Securities [of each Series] will be issued in uncertificated and dematerialised book-entry form and will only be evidenced by book entries in the system of the Central Securities Depository (as defined below) for registration of securities and settlement of securities transactions (the "Clearing System") in accordance with Consolidated Act No. 1530 of 2 December 2015 on Security Trading etc. (the "Securities Trading Act"), as amended from time to time and the Executive Orders issued thereunder including Executive Order No. 819 of 26 June 2013 on the registration of dematerialised securities in a central securities depository (Bekendtgørelse om registrering m.v. af fondsaktiver i en værdipapircentral) (the "Registration Order"). Transfers of Securities and other registration measures shall be made in accordance with the Securities Trading Act, the Registration Order and the regulations, rules and operating procedures applicable to and/or issued by the Central Securities Depository from time to time. The Securities will be issued in uncertificated and dematerialised book-entry form and no global bearer securities or definitive securities will be issued in respect thereof. The Securities issued and cleared through the Central Securities Depository are transferable instruments and not subject to any restrictions on their transferability within Denmark. The Issuer is entitled to receive from the Central Securities Depository, at its request, a transcript of the register for the Securities.]

[Securities in the form of Dutch Uncertificated Securities: The Securities [of each Series] will be registered in uncertificated book-entry form with the Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V., Herengracht 459-469, 1017 BS Amsterdam, the Netherlands ("Euroclear Nederland"). No Securities in definitive form will be issued. The Securities are subject to the Dutch Securities Giro Act (Wet giraal effectenverkeer, "Wge") (as amended from time to time) and the applicable rules issued by Euroclear Nederland. Delivery (uitlevering) of Securities will only be possible in the limited circumstances prescribed by the Wge. The Security Holders shall receive co-ownership participations in and/or rights with respect to the Global Security which are transferable in accordance with the Wge and the rules and regulations applicable to and/or issued by Euroclear Nederland.]

[Securities in the form of Finnish Registered Securities: The Securities [of each Series] will

be in dematerialised form and will only be evidenced by book entries in the system of the Central Securities Depository for registration of securities and settlement of securities transactions in accordance with the Finnish Act on Book-Entry Accounts (827/1991, as amended and/or re-enacted from time to time) and the Finnish Act on the Book-Entry System and Clearing Operations (348/2017, as amended and/or re-enacted from time to time) to the effect that there will be no certificated securities.]

[*Securities in the form of French Dematerialized Bearer Securities:* The Securities [of each Series] will be issued in bearer dematerialised form (*titres au porteur dématérialisés*). Title to the Securities will be evidenced by book entries (*inscription en compte*) in the system of Euroclear France S.A., 66 rue de la Victoire 75009 Paris, France ("**Euroclear France**"), acting as central securities depository and which shall credit the accounts of the relevant account holders in accordance with the provisions of the French *Code Monétaire et Financier* relating to Holding of Securities (currently, Articles L. 211-3 *et seq.* and R. 211-1 *et seq.* of the French *Code Monétaire et Financier*). No physical document of title (including *certificats représentatifs* pursuant to Article R. 211-7 of the French *Code Monétaire et Financier*) will be issued in respect of the Securities. Transfers of the Securities and other registration measures shall be made in accordance with the French *Code Monétaire et Financier*, the regulations, rules and operating procedures applicable to and/or issued by Euroclear France.]

[*Securities in the form of Italian Uncertificated Certificates:* The Securities [of each Series] are issued in bearer uncertificated and dematerialised book-entry form pursuant to the Italian Financial Services Act (*Testo Unico della Finanza*) and cleared through and registered at the Central Securities Depository (as defined below) in accordance with the Legislative Decree No. 58, dated 24 February 1998 and the relevant implementing rules governing central depositories, settlement services, guarantee systems and related management companies, issued by Bank of Italy and the Italian securities regulator (*Commissione Nazionale per le Società e la Borsa* - "**CONSOB**"). No physical securities, such as global temporary or permanent securities or definitive securities will be issued in respect of the Italian Uncertificated Certificates.]

[*Securities in the form of Norwegian Registered Securities:* The Securities [of each Series] will be in dematerialized registered form and will only be evidenced by book entries in the system of the Central Securities Depository (as defined below) for registration of securities and settlement of securities transactions in accordance with the Norwegian Securities Register Act (*lov om registrering av finansielle instrumenter 2002 5. juli nr. 64*). There will be neither global bearer securities nor definitive securities and no physical securities will be issued in respect of the Securities. Securities issued through the Central Securities Depository must comply with the Norwegian Securities Trading Act, and the procedures applicable to and/or issued by the Central Securities Depository from time to time and as amended from time to time. Transfers of the title to the Securities and other registration measures shall be made in accordance with the Norwegian Securities Register Act (*lov om registrering av finansielle instrumenter 2002 5. juli nr. 64*), the regulations, rules and operating procedures applicable to and/or issued by the Central Securities Depository (the "**Norwegian CSD Rules**").]

[*Securities in the form of Swedish Registered Securities:* The Securities [of each Series] will be in dematerialised form and will only be evidenced by book entries in the system of the Central Securities Depository (as defined below) for registration of securities and settlement of securities transactions in accordance with Chapter 4 of the Swedish Financial Instruments Accounts Act (*lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) (the "**SFIA Act**") to the effect that there will be no certificated securities.]

Central Securities Depository

[*Securities in the form of German Global Certificates:* Clearstream Banking AG, Merгентhalerallee 61, 65760 Eschborn, Germany]

[*Securities in the form of Swiss Uncertificated Securities:* SIX SIS AG, Baslerstrasse 100, 4600 Olten, Switzerland]

[*Securities in the form of Danish Uncertificated Securities:* VP SECURITIES A/S, Weidekampsgade 14, P.O. Box 4040, 2300 Copenhagen S, Denmark]

[Securities in the form of Dutch Uncertificated Securities: Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V., Herengracht 459-469, 1017 BS Amsterdam, The Netherlands (Euroclear Nederland)]

[Securities in the form of Finnish Registered Securities: Euroclear Finland Oy, PL 1110, Urho Kekkosen katu 5C, 00101 Helsinki, Finland]

[Securities in the form of French Dematerialized Bearer Securities: Euroclear France, 66 rue de la Victoire 75009 Paris, France]

[Securities in the form of Italian Uncertificated Certificates: Monte Titoli S.p.A., Piazza degli Affari, 6, 20123 Milan, Italy]

[Securities in the form of Norwegian Registered Securities: Norwegian Central Securities Depository VPS ASA, P.O. Box 4, 0051, Oslo, Norway]

[Securities in the form of Swedish Registered Securities: Euroclear Sweden AB, Klarabergsviadukten 63, Box 191, SE-101 23 Stockholm, Sweden]

Securities identification numbers

ISIN: [●][in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary]

[WKN: [●][in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary]]

[Valor: [●][in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary]]

[NGM Symbol: [●][in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary]]

[Mnemonic: [●][in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary]]

[insert additional securities identification number(s), if applicable: [●][in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary]]

C.2	Currency of the issue	The currency of the Securities is [●][in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary] (the " Settlement Currency "). [All references to ● should be understood as references to [insert details of the Currency: ●].]
C.5	Description of any restrictions on the transferability of the securities	– not applicable – The Securities are freely transferable.
C.8	Description of the rights attached to the securities including ranking and limitations to those rights	Redemption The Securities grant the Security Holder the right to require the Issuer to redeem the Securities at maturity by payment of a Cash Amount [for Securities with a (physical) delivery redemption style, insert additionally: or delivery of [shares, securities representing shares (ADRs/GDRs) or other dividend-bearing securities] [bonds] [investment units] [index certificates] [exchange traded products, "ETPs"], as described in C.15. The Issuer has the right to adjust the Terms and Conditions or terminate the Securities extraordinarily upon the occurrence of certain events. If a market disruption event occurs, the Issuer may postpone the date affected by the market disruption event and, where necessary, determine a rate, level or price for the underlying that is relevant for the valuation of the Securities in its reasonable discretion (for Securities subject to German law, sections 315, 317 BGB). [in the case of Securities which provide for the possibility of early redemption, insert: Early redemption of the Securities takes place automatically if specified threshold values (redemption levels) are reached by the underlying[s]. [for Securities with Interest Type – Fixed Interest, insert additionally: Irrespective of the performance of the underlying[s], the Security Holder will receive an interest amount, calculated on the basis of the <i>per annum</i> rate of interest (see C.15), on one or more interest

payment dates (see C.15).]

[In the case of Securities with Collateralisation (COSI), insert:

COSI (Collateral Secured Instruments – Securities with Collateralisation)

Securities with Collateralisation are collateralised by an agreement concluded between SIX Swiss Exchange AG, SIX SIS AG, Bank Vontobel AG, Zurich, Switzerland, as collateral provider and Vontobel Financial Products GmbH as Issuer (the "**Framework Agreement**"). This agreement represents a genuine contract for the benefit of third parties pursuant to article 112 (2) of the Swiss Code of Obligations (*Schweizerisches Obligationenrecht*). The investor is not a party to the Framework Agreement. The collateralisation is effected for the benefit of SIX Swiss Exchange by means of a regular right of lien. The collateral is booked to an account of SIX Swiss Exchange with SIX SIS. The investors have no separate security interest of their own in the collateral.

If Bank Vontobel AG as the collateral provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations.]

Governing law

The form and content of [each Series of] the Securities as well as all rights and obligations of the Issuer and of the Security Holders are determined in accordance with [German law] [Swiss law], except that the registration of [[Finnish] [French] [Norwegian] [Swedish] Registered Securities] or [[Danish] [Dutch] [Italian] Uncertificated Certificates] is governed by [Danish] [Dutch] [Finnish] [French] [Norwegian] [Swedish] [Italian] law].

[in case of Securities guaranteed by the German Guarantor: The form and content of the German Guarantee and all rights and obligations arising from it are determined in accordance with German law.]

[in case of Securities guaranteed by the Swiss Guarantor: The form and content of the Swiss Guarantee and all rights and obligations arising from it are determined in accordance with Swiss law.]

Ranking of the Securities

The obligations arising from the Securities constitute direct and unsecured obligations of the Issuer that rank *pari passu* in relation to one another and in relation to all other unsecured and unsubordinated obligations of the Issuer, with the exception of obligations that have priority due to mandatory statutory requirements. The obligations of the Issuer are not secured by assets of the Issuer.

[In the case of Securities with Collateralisation (COSI), insert:

The collateralisation described above uses assets of the collateral provider, Bank Vontobel AG, Zurich.]

Limitations to the rights

In accordance with the Terms and Conditions, the Issuer may make adjustments upon the occurrence of defined events in order to reflect relevant changes or events relating to the respective Underlying (as defined in Element C.20 below), or may terminate the Securities extraordinarily. In the event of extraordinary termination, the investors will lose their rights described above in their entirety. There is a risk that the termination amount paid will be equal to zero (0).

If a market disruption event occurs, there may be a delay in valuing the Security in relation to the underlying concerned, and this may affect the value of the Securities and/or delay the payment of the cash amount. In such cases, the Issuer may, in its reasonable discretion (for Securities subject to German law, sections 315, 317 BGB), determine a rate, level or price for the underlying concerned that is relevant for the purposes of valuing the Securities.

C.11	Admission to trading on a regulated market or other equivalent	[if an admission to trading on a regulated market or other equivalent markets is not intended, insert: – not applicable – An admission of the Securities to trading on a regulated market or other equivalent markets

markets

is not intended.]

[if an admission to trading on a regulated market or other equivalent markets is intended, insert: Application [will][has been] be made for the Securities to be admitted to trading on [the Nordic Growth Market (Nordic Derivatives Exchange [Denmark][Finland][Norway][Sweden], NDX)], [the regulated market of Euronext [Amsterdam N.V.][Paris S.A.]] [the regulated market Mercato Telematico of securitised derivatives (SeDeX) of Borsa Italiana S.p.A.] [and] [insert any further/other exchange(s) for which an application for admission to trading on the regulated or other equivalent markets will be made: •].]

[if (only) inclusion in a regulated unofficial market is intended, insert: Application [will][has been] be made for the Securities to be [only][additionally] included in the regulated unofficial market of the following exchanges: [Frankfurt Stock Exchange (Börse Frankfurt Zertifikate Premium)][Stuttgart Stock Exchange (EUWAX)][insert any exchange(s) for which an application will be made to include the Securities in a regulated unofficial market: •].]

[The date on which the Securities [were] [are expected to be [included in] [and] [admitted to] trading is •.]

C.15 Description of how the value of the investment is affected by the value of the underlying instrument

The Securities have a derivative component, i.e. they are financial instruments whose value is derived from the value of another reference instrument, known as the "underlying". Investors have the opportunity of participating in the performance [of a particular underlying] [of several underlyings] without purchasing the respective underlying. Because of various features of the Securities, an investment in the Securities is not comparable to a direct investment in the [respective] underlying.

[for Discount Certificates, insert:

At the time of issue, Discount Certificates are quoted at a discount to the current price of the underlying. At the end of the term, the value of the Discount Certificate corresponds to that of the underlying to which it is linked, but is limited to the maximum amount.

The Issuer will redeem the Securities at maturity by payment of the maximum amount, if the reference price of the underlying on the valuation date is equal to or above the cap.

If the reference price of the underlying on the valuation date is determined to be below the cap, the Issuer will [pay a cash amount equal to the reference price of the underlying on the valuation date (taking into account the ratio)] [deliver [[investment units] [index certificates] [ETPs] linked to] the underlying in accordance with *[for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset]]*.

[for Protect (Pro) Discount Certificates, insert in addition to the preceding description:

Protect [Pro] Discount Certificates also have a barrier which is below the price of the underlying at the time of issue.

[for Protect, insert: The Issuer will redeem the Securities at maturity by payment of the maximum amount, if the observation price of the underlying has not [reached or] fallen below the barrier during the observation period, irrespective of the price of the underlying on the valuation date.

If the price of the underlying has [reached or] fallen below the barrier during the observation period, the Protect Discount Certificate is converted into a traditional Discount Certificate with the corresponding payment and delivery arrangements.]

[for Protect Pro, insert: The Issuer will redeem the Securities at maturity by payment of the maximum amount, if the reference price of the underlying on the valuation date is above the Barrier.

Otherwise, the Issuer will [pay a cash amount equal to the reference price of the underlying on the valuation date (taking into account the ratio)] [deliver [[investment units] [index certificates] [ETPs] linked to] the underlying in accordance with *[for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset]]*.

[for (Protect (Pro)) Discount with Express function, insert additionally:

The Express version of [Protect [Pro]] Discount Certificates also features a "redemption level" for the underlying, which creates one or more opportunities for the early payment of the maximum amount (taking into account the ratio). The redemption level consists of a specified price threshold for the respective underlying.]

[for Multi Discount Certificates, insert in addition to the description of Discount Certificates:

In the case of Multi Discount Certificates, investors are investing indirectly in a number of underlyings at a discount to the current prices of the respective underlyings. In return, however, their participation in rising prices is limited to the maximum amount.

The Issuer will redeem the Securities at maturity by payment of the maximum amount, if the reference prices of all of the underlyings on the valuation date are equal to or higher than the respective strike.

If at least one reference price of an underlying is determined to be below the respective applicable strike on the valuation date, redemption (cash settlement redemption style or (physical) delivery redemption style) corresponds to a traditional Discount Certificate linked to the underlying with the worst performance.]

[for Protect (Pro) Multi Discount Certificates, insert in addition to the description of Discount and Multi Discount Certificates:

The features of Protect [Pro] Multi Discount Certificates include an individual barrier for each underlying which is below the price of the respective underlying at the time of issue.

[for Protect, insert: The Issuer will redeem the Securities at maturity by payment of the maximum amount, if none of the observation prices of the underlyings has [reached or] fallen below the respective barrier during the observation period, irrespective of the prices of the underlyings on the valuation date.

If at least one underlying has [reached or] fallen below the respective barrier during the observation period, the Protect Multi Discount Certificate is converted into a Multi Discount Certificate with the corresponding payment and delivery arrangements at the maturity of the Securities.]

[for Protect Pro, insert: The Issuer will redeem the Securities at maturity by payment of the maximum amount, if all of the reference prices of the underlyings on the valuation date are [equal to or] above the respective barrier.

If the reference price of at least one underlying on the valuation date is [equal to or] below the barrier, the Issuer will pay a cash amount or deliver the underlying in accordance with the payment and delivery arrangements for a Multi Discount Certificate.])

[for Bonus Certificates, insert:

The bonus mechanism for Bonus Certificates consists of a bonus level and a barrier. The bonus level is specified at the time of issue above the current price of the underlying or corresponding to it and remains unchanged during the entire term. The barrier is set at the time of issue below the current price of the underlying.

Provided that the observation price of the underlying does not [reach or] fall below the barrier during the observation period, at the maturity of the Securities the investor will receive the reference price of the underlying taking into account the ratio, but at least the bonus amount. As a result of this structure, the investor is able to achieve positive returns compared with a direct investment (any distributions on the underlying are disregarded) even in markets tending sideways or falling slightly. At prices above the bonus level, the investor participates in the performance of the underlying on a one-to-one basis.

If the observation price [reaches or] falls below the barrier during the observation period, the bonus mechanism no longer applies and the investor will receive [a cash amount equal to the reference price of the underlying (taking into account the ratio)] [[[investment units] [index certificates] [ETPs] linked to] the underlying in accordance with *[for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset].]*

[For Bonus Pro Certificates, insert:

The bonus mechanism for Bonus Pro Certificates consists of a bonus level and a barrier. The bonus level is specified at the time of issue above the current price of the underlying or corresponding to it and remains unchanged during the entire term. The barrier is set at the time of issue below the current price of the underlying.

Provided that the reference price of the underlying on the valuation date is [equal to or] above the barrier, at the maturity of the Securities the investor will receive the reference price of the underlying taking into account the ratio, but at least the bonus amount. As a result of this structure, the investor is able to achieve positive returns compared with a direct investment (any distributions on the underlying are disregarded) even in markets tending sideways or falling slightly. At prices above the bonus level, the investor participates in the performance of the underlying on a one-to-one basis.

If the reference price of the underlying on the valuation date is [equal to or] below the barrier, the Issuer will [pay a cash amount equal to the reference price of the underlying (taking into account the ratio)] [deliver [[investment units] [index certificates] [ETPs] linked to] the underlying in accordance with [for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset].]

[for Bonus Cap (Pro) Certificates, insert additionally:

Bonus Cap [Pro] Certificates also have a cap, which is set above or equal to the bonus level. This means that investors can only participate in price increases of the underlying up to this cap. For Bonus Cap [Pro] Certificates, therefore, the cash amount is limited from the start to the maximum amount (i.e. the cap taking into account the ratio).]

[for Multi Bonus Certificates, insert in addition to Bonus Certificates:

Multi Bonus Certificates enable the investor to participate in the performance of several underlyings. The bonus mechanism consists of a nominal amount, a bonus level, a strike for each underlying, and a barrier for each underlying which is below the strike of the respective underlying.

If none of the observation prices of the underlyings has touched or fallen below the respective barrier during the observation period, the investor participates in the [performance of the underlying with the [lowest][highest] performance][average percentage performance of the underlyings], but will at least receive the bonus level.

If at least one observation price of an underlying has [reached or] fallen below the respective barrier during the observation period, the bonus mechanism no longer applies and the investor will receive [a cash amount equal to the nominal amount multiplied by the performance of the underlying with the [lowest][highest] performance] [[[investment units] [index certificates] [ETPs] linked to] the underlying with the relevant performance in accordance with [for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset]].]

[for Multi Bonus Pro Certificates, insert in addition to Bonus Certificates:

Multi Bonus Pro Certificates enable the investor to participate in the performance of several underlyings. The bonus mechanism consists of a nominal amount, a bonus level, a strike for each underlying, and a barrier for each underlying which is below the strike of the respective underlying.

If the reference prices of all the underlyings are above the respective barrier on the valuation date, the investor will participate in the [performance of the underlying with the [lowest][highest] performance] [average percentage performance of all the underlyings], but will at least receive the bonus level.

If the reference price of at least one underlying is equal to or lower than the respective barrier on the valuation date, the bonus mechanism no longer applies and the investor will receive [a cash amount equal to the nominal amount multiplied by the [performance of the underlying with the [lowest][highest] performance] [average percentage performance of all the underlyings]] [[[investment units] [index certificates] [ETPs] linked to] the underlying with the relevant performance in accordance with [for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETPs linked to the underlying,

insert: the number of the deliverable asset]].]

[for Multi Bonus Cap (Pro) Certificates, insert additionally:

The particular feature of Multi Bonus Cap [Pro] Certificates compared with Multi Bonus [Pro] Certificates is that they also have a cap, which is set as a percentage above or equal to the bonus level.

This means that investors can only participate in price increases of the underlyings up to this cap. For Multi Bonus Cap [Pro] Certificates, therefore, the cash amount is limited from the start to the maximum amount (i.e. the nominal amount multiplied by the cap).]

[for Reverse Bonus Certificates with ratio, insert:

In the case of Reverse Bonus Certificates, the investor benefits as a general principle if the price of the underlying falls. On the other hand, increases in the price of the underlying are normally disadvantageous for the investor. The value of these certificates therefore generally rises – subject to other factors and product features which are significant for the value of the Securities – when the price of the underlying falls and vice versa.

The bonus mechanism for Reverse Bonus Certificates consists of a reverse level, a bonus level and a barrier.

If the underlying does not [reach or] exceed the barrier at any time during the observation period, at the maturity of the Securities the Issuer will pay the difference between the reverse level and the reference price of the underlying on the valuation date (taking into account the ratio), but at least the bonus amount.

If the underlying [reaches or] exceeds the barrier at least once during the observation period, the claim to payment of the bonus amount described above is lost. In this event, at the maturity of the Securities the Issuer will pay the difference between the reverse level and the reference price of the underlying on the valuation date (taking into account the ratio) (but at least zero (0)).]

[for Reverse Bonus Certificates with nominal amount, insert:

In the case of Reverse Bonus Certificates, the investor benefits as a general principle if the price of the underlying falls. On the other hand, increases in the price of the underlying are normally disadvantageous for the investor. The value of these certificates therefore generally rises – subject to other factors and product features which are significant for the value of the Securities – when the price of the underlying falls and vice versa.

The bonus mechanism for Reverse Bonus Certificates consists of a reverse level, a bonus level and a barrier.

If the underlying does not [reach or] exceed the barrier at any time during the observation period, at the maturity of the Securities the Issuer will pay a cash amount calculated on the basis of the inverse performance of the underlying since the issue date. In this event, the cash amount is equal to the nominal amount multiplied by the difference, divided by the initial reference price, between the reverse level and the reference price of the underlying on the valuation date, but at least to the bonus amount.

If the underlying [reaches or] exceeds the barrier at least once during the observation period, the claim to payment of the bonus amount described above is lost. The cash amount paid by the Issuer at the maturity of the Securities in this event is equal to the nominal amount multiplied by the difference, divided by the initial reference price, between the reverse level and the reference price of the underlying on the valuation date (but at least to zero (0)).]

[for Reverse Bonus Pro Certificates, insert additionally:

In general terms, Reverse Bonus Pro Certificates function in the same way as the Reverse Bonus Certificates described above. However, the barrier is not observed during an observation period, but only on the valuation date at the time of the determination of the reference price (closing price observation).

In the case of Reverse Bonus Pro Certificates, therefore, the investor receives the cash amount calculated as shown above if the reference price of the underlying on the valuation date does not [reach or] exceed the barrier.

If the reference price of the underlying on the valuation date [reaches or] exceeds the barrier, the claim to payment of the bonus amount described above is lost and the investor receives the corresponding cash amount as described above.]

[for Reverse Bonus Cap (Pro) Certificates, insert additionally:

Reverse Bonus Cap [Pro] Certificates function in the same way as traditional Reverse Bonus Certificates with one significant exception: in addition to a reverse level, bonus level and barrier, these Securities also have a cap, which is set below or equal to the bonus level.

This means that investors can only participate in price falls of the underlying as far as the cap. For Reverse Bonus Cap [Pro] Certificates, therefore, the cash amount is limited from the start to the maximum amount.]

[for (Best Entry) (Protect (Pro)) Fix Coupon Express Certificates/Notes, insert:

The distinguishing feature of [Best Entry] [Protect [Pro]] Fix Coupon Express [Certificates][Notes] is that the timing of their redemption depends on whether the [reference price] [observation price] of the underlying has [reached or] exceeded the respective applicable redemption level on a valuation date. If this is the case, the term of the Securities ends early and the investor receives [payment of the nominal amount] [payment of a cash amount equal to the nominal amount multiplied by [the performance of the underlying, but at least to the nominal amount,][the [respective applicable] redemption factor]] following the valuation date on which the redemption level was [reached or] exceeded. If the reference price of the underlying on a valuation date is [equal to or] below the applicable redemption level, the term of the [Best Entry] [Protect [Pro]] Fix Coupon Express [Certificate][Note] continues to the next valuation date, at which time the conditions for early redemption are assessed again.

If there has been no early redemption, the following applies:

[for Fix Coupon Express Certificates/Notes, insert:

If the reference price of the underlying on the final valuation date is [equal to or] higher than the [strike] [final redemption level], the investor receives the nominal amount.

If, on the other hand, the reference price of the underlying on the final valuation date is [equal to or] below the [strike] [final redemption level], the investor will receive [a cash amount equal to the nominal amount multiplied by the performance of the underlying] [[[investment units] [index certificates] [ETPs] linked to] the underlying in accordance with [for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset]]. In this event, the equivalent value of the redemption will be less than the nominal amount.]

[for Protect Fix Coupon Express Certificates/Notes, insert:

If a barrier event has not occurred, the investor receives the nominal amount.

If a barrier event has occurred, but the reference price of the underlying on the final valuation date is [equal to or] above the [strike] [final redemption level], the investor receives the nominal amount.

If a barrier event has occurred and the reference price of the underlying on the final valuation date is [equal to or] below the [strike] [final redemption level], the investor will receive [a cash amount equal to the nominal amount multiplied by the performance of the underlying] [[[investment units] [index certificates] [ETPs] linked to] the underlying in accordance with [for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset]]. In this event, the equivalent value of the redemption will be less than the nominal amount.]

[for Protect Pro Fix Coupon Express Certificates/Notes, insert:

If a barrier event has not occurred, the investor receives the nominal amount.

If a barrier event has occurred, the investor will receive [a cash amount equal to the nominal amount multiplied by the performance of the underlying] [[[investment units] [index certificates] [ETPs] linked to] the underlying in accordance with [for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset]]. In this event, the equivalent value of the redemption will be less than the nominal amount.]

[for (Best Entry) Protect (Pro) Fix Coupon Express Certificates/Notes, insert additionally:

A barrier event occurs if [for Protect (except for Pro), insert: the observation price of the underlying is [equal to or] below the barrier at least once during the observation period] [for Protect Pro, insert: the reference price of the underlying is [equal to or] below the barrier on the final valuation date].]

[for Best Entry (Protect (Pro)) Fix Coupon Express Certificates/Notes, insert additionally:

In this case, the relevant price thresholds of the underlying are not specified on the issue date (see E.3), but at a later time. This is done on the basis of the lowest [reference price][Best Entry price] of the underlying observed during the Best Entry period.]

[if an Unconditional Bonus Payment applies, insert: In addition, the investor receives a bonus amount on each bonus payment date. The bonus amount is paid irrespective of the performance of the underlying. Following an early redemption, no (further) bonus payments are made on the Securities.])

[if interest is payable, insert: In addition, the investor receives an interest amount on one or more interest payment dates. The payment of interest is independent of the performance of the underlying. In the case of an early redemption, the interest accrual period ends early.])

[for (Best Entry) (Memory) (Protect (Pro)) Express Certificates/Notes, insert:

The distinguishing feature of [Best Entry] [Memory] [Protect [Pro]] Express [Certificates][Notes] is that the timing of their redemption depends on whether the [reference price] [observation price] of the underlying has [reached or] exceeded the respective applicable redemption level on a valuation date. If this is the case, the term of the Securities ends early and the investor receives [payment of the nominal amount] [payment of a cash amount equal to the nominal amount multiplied by [the performance of the underlying, but at least to the nominal amount.][the [respective applicable] redemption factor]] following the valuation date on which the redemption level was [reached or] exceeded. If the reference price of the underlying on a valuation date is [equal to or] below the applicable redemption level, the term of the [Best Entry] [Memory] [Protect [Pro]] Express [Certificate][Note] continues to the next valuation date, at which time the conditions for early redemption are assessed again.

If there has been no early redemption, the following applies:

[for (Memory) Express Certificates/Notes, insert:

If the reference price of the underlying on the final valuation date is [equal to or] higher than the [strike] [final redemption level], the investor receives the nominal amount.

If, on the other hand, the reference price of the underlying on the final valuation date is [equal to or] below the [strike] [final redemption level], the investor will receive [a cash amount equal to the nominal amount multiplied by the performance of the underlying] [[[investment units] [index certificates] [ETPs] linked to] the underlying in accordance with [for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset]]. In this event, the equivalent value of the redemption will be less than the nominal amount.]

[for (Memory) Protect Express Certificates/Notes, insert:

If a barrier event has not occurred, the investor receives the nominal amount.

If a barrier event has occurred, but the reference price of the underlying on the final valuation date is [equal to or] above the [strike] [final redemption level], the investor

receives the nominal amount.

If a barrier event has occurred and the reference price of the underlying on the final valuation date is [equal to or] below the [strike] [final redemption level], the investor will receive [a cash amount equal to the nominal amount multiplied by the performance of the underlying] [[[investment units] [index certificates] [ETPs] linked to] the underlying in accordance with [for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset]]. In this event, the equivalent value of the redemption will be less than the nominal amount.]

[for (Memory) Protect Pro Express Certificates/Notes, insert:

If a barrier event has not occurred, the investor receives the nominal amount.

If a barrier event has occurred, the investor will receive [a cash amount equal to the nominal amount multiplied by the performance of the underlying] [[[investment units] [index certificates] [ETPs] linked to] the underlying in accordance with [for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset]]. In this event, the equivalent value of the redemption will be less than the nominal amount.]

[for (Best Entry) (Memory) Protect (Pro) Express Certificates/Notes, insert additionally:

A barrier event occurs if [for Protect (except for Pro), insert: the observation price of the underlying is [equal to or] below the barrier at least once during the observation period] [for Protect Pro, insert: the reference price of the underlying is [equal to or] below the barrier on the final valuation date].]

If a bonus event has occurred on an observation date, the investor also receives the bonus amount allocated to that observation date. Otherwise, no bonus amount is paid for that observation date. *[for Memory, insert additionally: If the investor does not receive a bonus amount for an observation date but a bonus event occurs on a subsequent observation date, then bonus payments previously omitted are paid in addition on the relevant observation date.]*

A bonus event occurs if [the [reference price][observation price] of the underlying is [equal to or] higher than the bonus threshold [at least once] on an observation date][insert alternative provision for the occurrence of a bonus event, where applicable: •].

Following an early redemption, no (further) bonus payments are made on the Securities.

[for Best Entry (Memory) (Protect (Pro)) Express Certificates/Notes, insert additionally:

In this case, the relevant price thresholds of the underlying are not specified on the issue date (see E.3), but at a later time. This is done on the basis of the lowest [reference price][Best Entry price] of the underlying observed during the Best Entry period.])

[for (Best Entry) (Protect (Pro)) Multi Fix Coupon Express Certificates/Notes, insert:

[Best Entry] [Protect [Pro]] Multi Fix Coupon Express [Certificates][Notes] are linked to several underlyings and are distinguished by the fact that the timing of their redemption depends on whether the [reference price][observation price] of all the underlyings has [reached or] exceeded its respective applicable redemption level on a valuation date. If this is the case, the term of the Securities ends early and the investor receives [payment of the nominal amount] [payment of a cash amount equal to the nominal amount multiplied by [the performance of the underlying with the [highest][lowest] performance, but at least to the nominal amount,][the [respective applicable] redemption factor]] following the valuation date on which the redemption level was [reached or] exceeded. If the reference price of even a single underlying on a valuation date is [equal to or] below its applicable redemption level, the term of the [Best Entry] [Protect [Pro]] Multi Fix Coupon Express [Certificate][Note] continues to the next valuation date, at which time the conditions for early redemption are assessed again.

If there has been no early redemption, the following applies:

[for (Best Entry) Multi Fix Coupon Express Certificates/Notes, insert:

If the reference price of all the underlyings on the final valuation date is [equal to or] higher than the respective [strike] [final redemption level], the investor receives the nominal amount.

If the reference price of at least one underlying on the final valuation date is [equal to or] below the respective [strike] [final redemption level], the investor will receive [a cash amount equal to the nominal amount multiplied by the performance of the underlying with the [lowest] [highest] *[insert alternative relevant performance]* performance] [[[investment units] [index certificates] [ETPs] linked to] the underlying with the [lowest] [highest] *[insert alternative relevant performance]* performance in accordance with [for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETps linked to the underlying, insert: the number of the deliverable asset]]. In this event, the equivalent value of the redemption will be less than the nominal amount.]

[for (Best Entry) Protect Multi Fix Coupon Express Certificates/Notes, insert:

If a barrier event has not occurred, the investor receives the nominal amount.

If a barrier event has occurred, but the reference price of all the underlyings on the final valuation date is [equal to or] above the respective [strike] [final redemption level], the investor receives the nominal amount.

If a barrier event has occurred and the reference price of at least one underlying on the final valuation date is [equal to or] below the respective [strike] [final redemption level], the investor will receive [a cash amount equal to the nominal amount multiplied by the performance of the underlying with the [lowest] [highest] *[insert alternative relevant performance]* performance] [[[investment units] [index certificates] [ETPs] linked to] the underlying with the [lowest] [highest] *[insert alternative relevant performance]* performance in accordance with [for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETps linked to the underlying, insert: the number of the deliverable asset]]. In this event, the equivalent value of the redemption will be less than the nominal amount.]

[for (Best Entry) Protect Pro Multi Fix Coupon Express Certificates/Notes, insert:

If a barrier event has not occurred, the investor receives the nominal amount.

If a barrier event has occurred, the investor will receive [a cash amount equal to the nominal amount multiplied by the performance of the underlying with the [lowest] [highest] *[insert alternative relevant performance]* performance] [[[investment units] [index certificates] [ETPs] linked to] the underlying with the [lowest] [highest] *[insert alternative relevant performance]* performance in accordance with [for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETps linked to the underlying, insert: the number of the deliverable asset]]. In this event, the equivalent value of the redemption will be less than the nominal amount.]

[for (Best Entry) Protect (Pro) Multi Fix Coupon Express Certificates/Notes, insert:

A barrier event occurs if [for Protect (except for Pro), insert: the observation price of at least one underlying is [equal to or] below the applicable barrier for the respective underlying at least once during the observation period] [for Protect Pro, insert: the reference price of at least one underlying is [equal to or] below the applicable barrier for the respective underlying on the final valuation date].]

[for Best Entry (Protect (Pro)) Multi Fix Coupon Express Certificates/Notes, insert additionally:

In this case, the relevant price thresholds of the underlyings are not specified on the issue date (see E.3), but at a later time. This is done on the basis of the lowest [reference price][Best Entry price] of the respective underlying observed during the Best Entry period.]

[if an Unconditional Bonus Payment applies, insert: In addition, the investor receives a bonus amount on each bonus payment date. The bonus amount is paid irrespective of the performance of the underlying. Following an early redemption, no (further) bonus payments are made on the Securities.]

[if interest is payable, insert: In addition, the investor receives an interest amount on one or more interest payment dates. The payment of interest is independent of the performance of

the underlying. In the case of an early redemption, the interest accrual period ends early.]]

[for (Best Entry) (Memory) (Protect (Pro)) Multi Express Certificates/Notes, insert:

[Best Entry] [Memory] [Protect [Pro]] Multi Express [Certificates][Notes] are linked to several underlyings and are distinguished by the fact that the timing of their redemption depends on whether the [reference price][observation price] of all the underlyings has [reached or] exceeded its respective applicable redemption level on a valuation date. If this is the case, the term of the Securities ends early and the investor receives [payment of the nominal amount] [payment of a cash amount equal to the nominal amount multiplied by [the performance of the underlying with the [highest][lowest] performance, but at least to the nominal amount.][the [respective applicable] redemption factor]] following the valuation date on which the redemption level was [reached or] exceeded. If the reference price of even a single underlying on a valuation date is [equal to or] below its applicable redemption level, the term of the [Best Entry] [Memory] [Protect [Pro]] Multi Express [Certificate][Note] continues to the next valuation date, at which time the conditions for early redemption are assessed again.

If there has been no early redemption, the following applies:

[for (Best Entry) (Memory) Multi Express Certificates/Notes, insert:

If the reference price of all the underlyings on the final valuation date is [equal to or] higher than the respective [strike] [final redemption level], the investor receives the nominal amount.

If the reference price of at least one underlying on the final valuation date is [equal to or] below the respective [strike] [final redemption level], the investor will receive [a cash amount equal to the nominal amount multiplied by the performance of the underlying with the [lowest] [highest] [*insert alternative relevant performance*] performance] [[[investment units] [index certificates] [ETPs] linked to] the underlying with the [lowest] [highest] [*insert alternative relevant performance*] performance in accordance with [*for delivery of the underlying, insert: the ratio*][*for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset*]]. In this event, the equivalent value of the redemption will be less than the nominal amount.]

[for (Best Entry) (Memory) Protect Multi Express Certificates/Notes, insert:

If a barrier event has not occurred, the investor receives the nominal amount.

If a barrier event has occurred, but the reference price of all the underlyings on the final valuation date is [equal to or] above the respective [strike] [final redemption level], the investor receives the nominal amount.

If a barrier event has occurred and the reference price of at least one underlying on the final valuation date is [equal to or] below the respective [strike] [final redemption level], the investor will receive [a cash amount equal to the nominal amount multiplied by the performance of the underlying with the [lowest] [highest] [*insert alternative relevant performance*] performance] [[[investment units] [index certificates] [ETPs] linked to] the underlying with the [lowest] [highest] [*insert alternative relevant performance*] performance in accordance with [*for delivery of the underlying, insert: the ratio*][*for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset*]]. In this event, the equivalent value of the redemption will be less than the nominal amount.]

[for (Best Entry) (Memory) Protect Pro Multi Express Certificates/Notes, insert:

If a barrier event has not occurred, the investor receives the nominal amount.

If a barrier event has occurred, the investor will receive [a cash amount equal to the nominal amount multiplied by the performance of the underlying with the [lowest] [highest] [*insert alternative relevant performance*] performance] [[[investment units] [index certificates] [ETPs] linked to] the underlying with the [lowest] [highest] [*insert alternative relevant performance*] performance in accordance with [*for delivery of the underlying, insert: the ratio*][*for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset*]]. In this event, the equivalent value

of the redemption will be less than the nominal amount.]

[for (Best Entry) (Memory) Protect (Pro) Multi Express Certificates/Notes, insert additionally:

A barrier event occurs if [for Protect (except for Pro), insert: the observation price of at least one underlying is [equal to or] below the applicable barrier for the respective underlying at least once during the observation period] [for Protect Pro, insert: the reference price of at least one underlying is [equal to or] below the applicable barrier for the respective underlying on the final valuation date].]

If a bonus event has occurred on an observation date, the investor also receives the bonus amount allocated to that observation date. Otherwise, no bonus amount is paid for that observation date. [for Memory, insert additionally: If the investor does not receive a bonus amount for an observation date but a bonus event occurs on a subsequent observation date, then bonus payments previously omitted are paid in addition on the relevant observation date.]

A bonus event occurs if [the [reference price][observation price] of all the underlyings is [equal to or] higher than the respective bonus threshold [at least once] on an observation date][insert alternative provision for the occurrence of a bonus event, where applicable: •].

Following an early redemption, no (further) bonus payments are made on the Securities.

[for Best Entry (Memory) (Protect (Pro)) Multi Express Certificates/Notes, insert additionally:

In this case, the relevant price thresholds of the underlyings are not specified on the issue date (see E.3), but at a later time. This is done on the basis of the lowest [reference price][Best Entry price] of the respective underlying observed during the Best Entry period.]]

[for Reverse Convertibles, insert:

Reverse Convertibles provide the opportunity to generate a return in the event of stagnant, gently rising or gently falling prices of the underlying. A positive return can be achieved if the underlying simply maintains its level or falls slightly. The investor normally receives the maximum profit if [for Lock-in, insert: a lock-in event has occurred or] the underlying is [equal to or] above its allocated strike at the end of the term.

[for Lock-in, insert: If a lock-in event has occurred, the investor receives the nominal amount at maturity irrespective of the reference price of the underlying on the valuation date. Otherwise, the following applies:]

At the maturity of the Securities, the investor receives the nominal amount, provided that the reference price of the underlying on the valuation date is [equal to or] above the strike.

If, however, the reference price of the underlying on the valuation date is [equal to or] below the strike, the investor participates in the price losses of the underlying to the same extent and receives [a cash amount calculated [from the reference price of the underlying on the valuation date (taking into account the ratio)][by multiplying the nominal amount by the performance of the underlying]] [[[investment units] [index certificates] [ETPs] linked to] the underlying in accordance with [in the case of delivery of the underlying, insert: the ratio][in the case of delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset]]. In this event, the equivalent value of the redemption will be less than the nominal amount.

[for Lock-in, insert: A lock-in event occurs if the reference price of the underlying on a lock-in observation date is [equal to or] above the [relevant] lock-in level.]

In addition, the investor receives an interest amount on one or more interest payment dates. The payment of interest is independent of the performance of the underlying.]

[for Barrier Reverse Convertibles (including closing price observation of the barrier), insert:

Barrier Reverse Convertibles (Protect [Pro] Reverse Convertibles) provide the opportunity to generate a return in the event of stagnant, gently rising or gently falling prices of the underlying. A positive return can be achieved if the underlying simply maintains its level or falls slightly. The investor normally receives the maximum profit if [for Lock-in, insert: a lock-in event has occurred or] the underlying is [equal to or] above its allocated strike at the end

of the term.

[for Lock-in, insert: If a lock-in event has occurred, the investor receives the nominal amount at maturity irrespective of whether a barrier event has occurred. Otherwise, the following applies:]

The investor receives the nominal amount at maturity, provided that a barrier event has not occurred [in the case of continuous observation (Protect), insert additionally: or if a barrier event has occurred, but the reference price of the underlying on the valuation date is [equal to or] above the strike]; otherwise, the investor participates in the price losses of the underlying to the same extent and receives [a cash amount calculated [from the reference price of the underlying on the valuation date (taking into account the ratio)][by multiplying the nominal amount by the performance of the underlying]] [[[investment units] [index certificates] [ETPs] linked to] the underlying in accordance with [in the case of delivery of the underlying, insert: the ratio][in the case of delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset]]. In this event, the equivalent value of the redemption will be less than the nominal amount.

A barrier event occurs if [in the case of closing price observation (Protect Pro), insert: the reference price of the underlying on the valuation date is [equal to or] below the barrier] [in the case of continuous observation (Protect), insert: the observation price of the underlying is [equal to or] below the barrier at least once during the observation period].

[for Lock-in, insert: A lock-in event occurs if the reference price of the underlying on a lock-in observation date is [equal to or] above the [relevant] lock-in level.]

In addition, the investor receives an interest amount on one or more interest payment dates. The payment of interest is independent of the performance of the underlying.]]

[for Multi Reverse Convertibles, insert:

Multi Reverse Convertibles are linked to multiple underlyings and offer the opportunity to generate a return in the event of stagnant, gently rising or gently falling prices of the underlyings. A positive return can be achieved if the underlyings simply maintain their level or fall slightly. The investor normally receives the maximum profit if [for Lock-in, insert: a lock-in event has occurred or] the underlyings are [equal to or] above their allocated strikes at the end of the term.

[for Lock-in, insert: If a lock-in event has occurred, the investor receives the nominal amount at maturity irrespective of the reference price of the underlyings on the valuation date. Otherwise, the following applies:]

At the maturity of the Securities, the investor receives the nominal amount, provided that the reference prices of all the underlyings on the valuation date are [equal to or] above the respective strikes.

If, on the other hand, the reference price of at least one underlying on the valuation date is [equal to or] below its respective strike, the Issuer will [pay a cash amount calculated on the basis of [the reference price] [the performance] of the underlying with the [low-est][highest][insert alternative relevant performance] performance] [deliver [[investment units] [index certificates] [ETPs] linked to] the underlying with the [worst][best][insert alternative relevant performance] performance in accordance with [for delivery of the underlying, insert: the ratio][for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset]]. In this event, the equivalent value of the redemption will be less than the nominal amount.

[for Lock-in, insert: A lock-in event occurs if the reference prices of all the underlyings on a lock-in observation date are [equal to or] above the respective [relevant] lock-in levels.]

In addition, the investor receives an interest amount on one or more interest payment dates. The payment of interest is independent of the performance of the underlyings.]

[for Barrier Multi Reverse Convertibles, insert:

Barrier Multi Reverse Convertibles (Protect [in the case of closing price observation, insert

additionally: Pro] Multi Reverse Convertibles) are linked to multiple underlyings and offer the opportunity to generate a return in the event of stagnant, gently rising or gently falling prices of the underlyings. A positive return can be achieved if the underlyings simply maintain their level or fall slightly. The investor normally receives the maximum profit if [*for Lock-in, insert: a lock-in event has occurred or*] the underlyings are [equal to or] above their allocated strikes at the end of the term.

[*for Lock-in, insert: If a lock-in event has occurred, the investor receives the nominal amount at maturity irrespective of whether a barrier event has occurred. Otherwise, the following applies:*]

The investor receives the nominal amount at the maturity of the Securities, provided that a barrier event has not occurred [*in the case of continuous observation (Protect), insert additionally: or if a barrier event has occurred, but the reference prices of all the underlyings on the valuation date are [equal to or] above the respective strikes*].

If, on the other hand, a barrier event has occurred [*in the case of continuous observation (Protect), insert additionally: and the reference price of at least one underlying on the valuation date is [equal to or] below its respective strike*], the Issuer will [pay a cash amount calculated on the basis of [the reference price] [the performance] of the underlying with the [lowest][highest][*insert alternative relevant performance*] performance] [deliver [[investment units] [index certificates] [ETPs] linked to] the underlying with the [lowest][highest][*insert alternative relevant performance*] performance in accordance with [*for delivery of the underlying, insert: the ratio*][*for delivery of investment units, index certificates or ETPs linked to the underlying, insert: the number of the deliverable asset*]]. In this event, the equivalent value of the redemption will be less than the nominal amount.

A barrier event occurs if [*in the case of closing price observation (Protect Pro), insert: the reference price of at least one underlying on the valuation date is [equal to or] below the relevant barrier for the respective underlying*] [*in the case of continuous observation (Protect), insert: the observation price of at least one underlying is [equal to or] below the relevant barrier for the respective underlying at least once during the observation period*].

[*for Lock-in, insert: A lock-in event occurs if the reference prices of all the underlyings on a lock-in observation date are [equal to or] above the respective [relevant] lock-in levels.*]

In addition, the investor receives an interest amount on one or more interest payment dates. The payment of interest is independent of the performance of the underlyings.]

[*for Reverse Convertible structures described as Best Entry, insert additionally:*

In the case of Securities of the "Best Entry" variety, the relevant price thresholds [of the underlying] [of the underlyings] are not specified on the issue date (see E.3), but at a later time. This is done on the basis of the lowest [reference price][Best Entry price] of the [respective] underlying observed during the Best Entry period.]

[*for Reverse Convertible structures described as Floater or Floored Floater, insert additionally:*

The features of Securities of the "Floater" variety include a variable rate of interest instead of a fixed rate of interest.

This variable rate of interest depends on a reference interest rate.

The determination of the rate of interest applicable for an interest period is generally carried out prior to the start of an interest period. The interest is then normally paid in arrears at the end of the interest period.

[*for Reverse Convertible structures described as Floored Floater, insert additionally:*

Securities of the "Floored Floater" variety also bear a variable rate of interest. However, a lower limit (floor) is specified for the variable rate of interest and represents the minimum interest payment to the investor.]]

[*for Reverse Convertible structures described as Chance, insert additionally:*

Securities of the "Chance" variety are structured in such a way that the investor receives an additional cash amount (also referred to as the bonus amount) following [[a] specified observation date[s]][[the valuation date], if the reference price [of the underlying][of all the

underlyings] on [[a] specified observation date[s]][the valuation date] is [equal to or] above the [respective] bonus threshold [of the underlying][of the underlyings]. The level of the bonus amount [is specified in advance][depends on the level of the underlying].]

[for Reverse Convertible structures with partial redemption during the term, insert additionally:

The Securities are also structured in such a way that part of the nominal amount is redeemed before the end of the term. In this case, on the maturity date (provided that the other relevant requirements, as described above, have been met) either (i) the correspondingly reduced nominal amount is paid or (ii) cash amount or the delivery of assets on the basis of a correspondingly reduced ratio is specified. In such cases, interest payable is also determined on the basis of the reduced nominal amount from the date of the partial redemption.])

Underlying[s]: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*] (for further details, see C.20)

[Initial Reference Price: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Best Entry Price: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Best Entry Observation Period: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Ratio: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Number of the Deliverable Asset: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Reverse Level: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Strike: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Cap: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Maximum Amount: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Redemption Level[s]: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Final Redemption Level[s]: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Redemption Factor: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Bonus Level[s]: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Bonus Threshold[s]: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Bonus Amount[s]: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Observation Date[s]: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Bonus Payment Date[s]: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Interest Commencement Date: [●][*in case of multiple series of Securities, insert: as set out*

in the table annexed to the Issue Specific Summary]]

[Interest Payment Dates: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Interest Rate: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Reference Interest Rate: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Spread: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Cap: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Multiplication Factor: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Barrier: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Observation Period: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Observation Price: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Lock-in Level[s]: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Lock-in Observation Date[s]: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[*insert only in the event of delivery of investment units, index certificates or ETPs:*
Deliverable Asset(s): [investment units][index certificates][ETPs]: [*insert description and further details of the deliverable asset, where applicable: ●*][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Performance: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

[Term: [●][*in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary*]]

See also the issue-specific information under C.16.

C.16 Expiry or repayment date	Valuation Date[s]: [●][<i>in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary</i>] [Final Valuation Date: [●][<i>in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary</i>]] [Expiry Date: [shall mean the Valuation Date.] [[●] Business Days following the Valuation Date.] [●][<i>in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary</i>]] Maturity Date: [●][<i>in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary</i>]]
C.17 Description of the settlement procedure	Amounts due are calculated by the Calculation Agent and made available to the Central Securities Depository by the Issuer on the Maturity Date via the Paying Agents [<i>Securities in the form of German Global Certificates, Italian Uncertified Certificates, Norwegian Registered Securities or Swiss Uncertificated Securities: for onward transfer to the respective custodian banks for the purpose of crediting the Security Holders. The Issuer shall thereupon be released from all payment obligations</i>] [<i>Securities in the form of Danish Uncertificated Securities, Dutch Uncertificated Securities, French Dematerialized Bearer Securities, Finnish Registered Securities or Swedish Regis-</i>

tered Securities: for credit to the relevant Security Holders. The transfer by the Central Securities Depository or pursuant to the Central Securities Depository's instruction shall release the Issuer from its payment obligations under the Securities in the amount of such payment].

If a due payment is required to be made on a day that is not a Business Day, the payment may be postponed until the next following Business Day.

Calculation Agent: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland

Paying Agents: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland;
[and]
Bank Vontobel Europe AG, Alter Hof 5, 80331 Munich, Germany[;
and]

[insert only in the case of Securities in the form of Danish Uncertificated Securities: Handelsbanken, Danish branch of Svenska Handelsbanken AB (publ), Havneholmen 29, DK-1561 Copenhagen V, Denmark]

[insert only in the case of Securities in the form of Dutch Uncertificated Securities or French Dematerialized Bearer Securities: Citibank Europe Plc UK Branch, Canary Wharf Group, 25 Canada Square, London E14 5LB, United Kingdom]

[insert only in the case of Securities in the form of Finnish Registered Securities or Swedish Registered Securities: Svenska Handelsbanken AB (publ), SE-106 70 Stockholm, Sweden]

[insert only in the case of Securities in the form of Italian Uncertificated Securities: BNP PARIBAS Securities Services, Milan Branch, Via Ansperto no. 5, 20123 Milan, Italy]

[insert only in the case of Securities in the form of Norwegian Registered Securities: Handelsbanken Kapitalforvaltning AS, with registered office at Tjuvholmen allé 11, Postboks 1342 Vika 0113 Oslo, Norway]

[insert other relevant Paying Agent(s): •]

C.18 Description of redemption for derivative securities	The Securities will be redeemed [– subject to the occurrence of a liquidation event –] by payment of the cash amount <i>[for Securities with a (physical) delivery redemption style, insert additionally: or by delivery of [shares, securities representing shares (ADRs/GDRs) or other dividend-bearing securities] [bonds] [investment units] [index certificates] [ETPs]].</i> Further details of the timing of redemption and how the amount is calculated can be found under C.15 to C.17. <i>[If the currency of the underlying is different from the settlement currency of the Securities (see C.20), insert:</i> The cash amount will be converted into the settlement currency of the Securities in accordance with the relevant conversion rate on the valuation date.] <i>[in the case of Securities with currency hedging ("Quanto structure"), insert: The conversion will be based on a conversion rate of 1:1 ("Quanto structure").]</i>
C.19 Exercise price/final reference price of the underlying	The amount [and type] of the redemption on the maturity date depends [– subject to [Early Redemption] [and] [the occurrence of a liquidation event] –] on the reference price [of the underlying] [of the underlyings] on the [Final] Valuation Date. The reference price is <i>[In the case of shares, securities representing shares (ADRs or GDRs) and other dividend-bearing securities as the underlying, insert:</i> the closing price of the underlying determined and published by the Reference Agent.] <i>[In the case of indices as the underlying, insert:</i> the closing price of the underlying determined and published by the Reference Agent.] <i>[In the case of bonds as the underlying, insert:</i> (a) the value of the underlying determined and published as the closing price on the

Reference Agent]

[(b) the price of the underlying displayed on page [screen page: ●] at the Valuation Time and obtainable from there]

[, and (b) in the absence of such price display, the arithmetical mean of the [bid prices] [offer prices] for the underlying determined and notified at the request of the Calculation Agent by 5 leading market participants that are not affiliated companies of the Issuer or of the Calculation Agent]

[, and with the addition of interest accrued on the underlying (if the interest is not included in the price determined)].]

[In the case of **commodities** as the underlying, insert:

the [price of the underlying] [in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary] determined by the Reference Agent [at the Valuation Time] [insert specific description of the relevant fixing for the commodity: ●].]

[In the case of **futures** or **interest rate futures** as the underlying, insert:

the settlement price of the underlying determined and published on the Reference Agent.]

[In the case of **exchange rates** as the underlying, insert:

[the exchange rate determined by the Reference Agent at the Valuation Time and then published on the Reference Page. If the Base Currency of the underlying (as specified above under "Underlying") is not EUR (euros), then the Calculation Agent shall calculate the Reference Price by dividing the respective exchange rate between EUR and the Strike Currency determined by the Reference Agent at the valuation Time by the exchange rate between EUR and the Base Currency.]

[the price of the underlying on the international interbank market at the Valuation Time determined by the Calculation Agent in its reasonable discretion (for Securities subject to German law, sections 315, 317 BGB) on the Valuation Date taking account of the bid and offer prices [on the corresponding screen page of the Bloomberg financial information service][screen page].)]

[In the case of **interest rates** as the underlying, insert:

the interest rate [determined by the reference agent and] published on the reference page [at the valuation time].]

[In the case of **investment units** as the underlying, insert:

the value of the underlying determined and published by the Reference Agent.]

[In the case of **virtual currencies** as the underlying, insert:

the price of the underlying determined by the Calculation Agent in its reasonable discretion (for Securities subject to German law, sections 315, 317 BGB) taking account of the prices set for the underlying on the Reference Agents during the Valuation Date.]

[insert modified provision relating to the determination of the reference price, where applicable: ●]

C.20 Description of the underlying and where information on the underlying can be found	[The underlying to which the Securities are linked is:] [The underlyings to which the Securities are linked are:] [in case of multiple series of Securities, insert: The following list comprises information about each Underlying to which Securities may be linked. The relevant Underlying for the particular Securities is set out in Element C.15 in connection with the table annexed to the Issue Specific Summary.] [share, security representing shares (ADR/GDR) or other dividend-bearing security, issuer, ISIN and/or Bloomberg symbol, currency, further details where relevant] [bond, issuer, ISIN and/or [Bloomberg symbol, currency, further details where relevant] [index, index calculation agent, ISIN and/or Bloomberg symbol, currency, index disclaimer where relevant, indication of where information about this index can be obtained, further

details where relevant]

[commodity, ISIN and/or Bloomberg symbol, currency, brief description where relevant, further details where relevant]

[future, interest rate future, expiry month/year, ISIN and/or Bloomberg symbol, brief description where relevant, further details where relevant]

[exchange rate, ISIN and/or Bloomberg symbol, brief description where relevant, further details where relevant]

[interest rate, ISIN and/or Bloomberg symbol, brief description where relevant, further details where relevant]

[investment unit, description of fund, ISIN and/or Bloomberg symbol, currency, further details where relevant]

[designation of the virtual currency, ISIN and/or Bloomberg symbol where relevant, brief description where relevant, further details where relevant]

Information about the historical and future performance [of the underlying] [of the underlyings] and [its volatility] [their volatilities] can be obtained on the Internet from *[insert web page where relevant: •]* [the website specified above] [the websites specified above].

Section D – Risks

D.2 Key information on the key risks relating to the Issuer and the Guarantor

Insolvency risk of the Issuer

The investors are exposed to the risk of the insolvency and therefore the illiquidity of the Issuer. *[if collateralisation (COSI) applies, insert: In the present case, this risk is limited, but not completely excluded, by collateralisation.]* There is therefore a general risk that the Issuer will be unable to fulfil all or some of its obligations arising from the Securities. In this event there is a threat of financial loss up to and including a total loss, irrespective of the performance of the Underlying.

The Securities are not covered by a deposit protection scheme. Furthermore, the Issuer is also not a member of a deposit protection fund or similar protection system, which would reimburse the Security Holders' claims in full or in part if the Issuer became insolvent.

For this reason, investors should take into consideration the creditworthiness of the Issuer when making their investment decisions. The Issuer's liable share capital amounts to only EUR 50,000. A purchase of the Securities therefore exposes the investor to a significantly higher credit risk than in the case of an issuer with a higher level of capital resources.

The Issuer enters into OTC hedging transactions (hedging transactions negotiated individually between two parties) exclusively with other companies within the Vontobel Group. As a result of this lack of diversification, the Issuer is exposed to cluster risk with respect to the possible insolvency of its counterparties, which would not be the case with a more widely diversified selection of contractual partners. Illiquidity or insolvency on the part of companies affiliated to the Issuer could therefore result directly in the illiquidity of the Issuer.

Market risk of the Issuer

A difficult macroeconomic situation may lead to a lower issue size and have a negative impact on the Issuer's results of operations. In this regard, the general market performance of securities depends in particular on the performance of the capital markets, which is in turn influenced by the general situation of the global economy and the economic and political framework in the respective countries (known as market risk).

Insolvency risk of the Guarantor

The investor bears the risk of the insolvency of the Guarantor. There is a general risk that the Guarantor will be unable to fulfil all or some of the obligations arising under the guarantee undertaking. For this reason, investors should take into consideration not only the creditworthiness of the Issuer, but also the creditworthiness of the Guarantor when making their investment decisions.

[The Swiss Guarantor is not a member of a deposit protection fund or similar protection system, which would reimburse the Security Holders' claims in full or in part if the Swiss

Guarantor became insolvent.] [The German Guarantor is a member of the Compensation Scheme of German Banks (*Entschädigungseinrichtung deutscher Banken*) and the Deposit Protection Fund (*Einlagensicherungsfonds*); however, instruments payable to bearer (such as certificates and bearer bonds) are not covered by both institutes, i.e. the Security Holders' claims would not be reimbursed in full or in part if the German Guarantor became insolvent.]

Risks associated with potential reorganization and settlement procedures

[German] [and] [Swiss] laws and regulations[, respectively] grant the respective competent authority extensive powers and discretionary powers in the case of reorganization and settlement procedures of banks and parent companies of financial groups established under the respective national laws, such as [Vontobel Holding AG, Zurich, Switzerland (the Swiss Guarantor)] [and] [Bank Vontobel Europe AG, Munich, Germany (the German Guarantor)].

In the case such procedures are initiated, this may have a negative impact on the market price of the Securities and may result in the non-payment or only partial payment of the amounts due under the Guarantee.

Business risks relating to the Guarantor

The Guarantor's business is influenced by the prevailing market conditions [*in the case of the Swiss Guarantor add: and the impact they have on the operating (consolidated) Vontobel companies*]. The factors influencing the Guarantor's business may be caused by general market risks arising as a result of unfavourable movements in market prices, such as interest rates, exchange rates, share prices, commodity prices and the related volatilities, and have an adverse effect on the valuation of the underlyings and/or derivative financial products.

The Guarantor's financial condition may also be impacted by liquidity bottlenecks that may be caused, for example, by cash outflows when loan commitments are drawn down or when it is not possible to renew deposits, with the result that the Guarantor might be temporarily unable to meet short-term financing requirements.

D.6 Key information on the key risks relating to the securities/ Risk of total loss

Risk of loss due to dependence on the performance of the Underlying

The Securities are financial instruments whose value is derived from the value of another reference instrument, the "**Underlying**". There is no guarantee that the performance of the Underlying will match the investor's expectations. If the Underlying moves in a direction that is unfavourable for the investor, there is a risk of loss up to and including a total loss.

The effect of the Underlying on the value and redemption of the Securities is described in detail under C.15. The Securities are complex investment instruments. Investors should therefore ensure that they understand how the Securities function (including the structure of the Underlying) and the Terms and Conditions of the issue.

Market price risks

The price of a Security depends primarily on the price of the respective Underlying(s) to which it is linked, but does not normally mirror changes in the price of the Underlying exactly. All of the positive and negative factors affecting an Underlying are therefore also reflected in principle in the price of the Security.

Price risk

The value and therefore the price of the Securities may perform negatively. This may be mainly caused – as described above – by the performance of the Underlying and, depending on the respective Security, other factors affecting price (such as the volatility, the general development of interest rates, a deterioration in the Issuer's credit rating and the performance of the economy as a whole).

Option risks with respect to the Securities

The Securities are derivative financial instruments incorporating an option right which may therefore have many features in common with options. Transactions with options may involve a high level of risk. An investment in the Securities may be subject to very pronounced fluctuations in value and in some circumstances the embedded option will be completely worthless on expiry. In this event, the investor may lose the entire amount invested in the Securities.

[in the case of multiple underlyings (Multi structures), insert: Risk arising from the relevance of the worst performing underlying

The Securities are linked to multiple underlyings (referred to as "**Multi**"), resulting in an increased risk because the cash amount at maturity and the price of the Security during its term is determined by several underlyings, and not just by one underlying. *[in the case of a Barrier structure, insert: In this case, the likelihood that a barrier event will occur is also higher.]*

Investors should also note that if there are multiple underlyings, the underlying that has performed worst during the term of the Securities is normally relevant for the determination of the cash amount or of the assets to be delivered, that is, the risk of incurring a loss is significantly higher in the case of Multi structures than for Securities with only a single underlying.]

Correlation risks

Correlation denotes the extent to which it was possible to establish a specific dependence between an Underlying and a particular factor (such as changes in another Underlying or in an index) in the past. If, for example, an Underlying regularly responds to a change in a particular factor by moving in the same direction, a high positive correlation can be assumed. A high positive correlation means that the Underlying and the particular factor move in the same direction to a very high degree. Where there is a high negative correlation, the underlying moves in exactly the opposite direction. Against this background, it may be the case that an Underlying which can be fundamentally assessed as positive produces a performance that is unfavourable for the investor as a result of a change in the basic data relating to the relevant sector or country.

Volatility risk

An investment in Securities or Underlyings with a high volatility is fundamentally more risky than an investment in Securities or Underlyings with low volatility since it entails greater potential for incurring losses.

Risks relating to historical performance

The performance of an Underlying or of a Security in the past is not an indicator of its performance in the future.

Risks relating to financing the purchase of the Security with debt

If the purchase of the Securities is financed with debt, investors should be aware that in case that investment expectations do not realise they do not only have to bear a potential loss of the capital invested, but also have to pay the loan interest and to repay the loan. As a result, in this case investors are exposed to a significantly increased risk of loss.

[except in the case of Reverse Convertible and Express structures with unconditional bonus payments, insert additionally: Since the Securities do not provide any current income (such as interest, bonus payments or dividends), investors must not assume that they will be able to use such current income to service any loan interest falling due during the term of the Securities.]

Transactions designed to exclude or limit risk

Investors may not be able to hedge adequately against the risks associated with the Securities.

Inflation risk

Inflation has a negative effect on the real value of assets held and on the return generated in real terms.

Risks due to the economic cycle

Losses may arise because investors do not take the cyclical performance of the economy with its corresponding upward and downward phases into account, or do not do so correctly, when making their investment decisions and consequently make investments, or hold or sell Securities, at phases of the economic cycle that are unfavourable from their point of view.

Psychological market risk

Factors of a psychological nature may also have a significant influence on the price of the Underlyings and therefore on the performance of the Securities. If the effect of these factors on the price of the underlying differs from the market reaction expected by the investor, the investor may suffer a loss.

Risks relating to trading in the Securities, liquidity risk

Under normal market conditions, the Market Maker (as defined under E.4) will quote bid and offer prices for the Securities pertaining to an issue.

In the event of extraordinary market conditions or a highly volatile market environment, the Market Maker will generally not quote any bid or offer prices. But even under normal market conditions, it will not accept any legal obligation whatsoever vis-à-vis the Security Holders to quote such prices and/or to ensure that the prices it quotes are appropriate.

Potential investors can therefore not assume that it will be possible to sell the Securities during their term and must be prepared in any event to hold the Securities until the [final] valuation date.

Risks relating to the price determination of the Securities and the effect of transaction costs and commissions

The Issue Price (as defined under E.3) and the bid and offer prices quoted for the Securities in the secondary market may include a premium in addition to the original mathematical value of the Securities (so called fair value) which is not apparent to the investor. This so called margin and the mathematical value of the Securities are calculated by the Issuer and/or the Market Maker at their own discretion on the basis of internal pricing models and depending on a range of factors. In addition to income considerations, the following parameters among others are taken into account when calculating the margin: the mathematical value of the Securities, the price and volatility of the underlying, supply and demand for the Securities, the cost of hedging risk, premiums for accepting risk, the costs of structuring and selling the Securities, any commissions, and, where applicable, price surcharges (premium) and licence or management fees.

For the reasons given above, the prices set by the Market Maker may differ from the mathematical value of the Securities and/or the price that would be expected from an economic point of view.

Risk relating to the taxation of the Securities

The payment of taxes, levies, fees, deductions or other amounts incurred in connection with the Securities is the responsibility of the respective Security Holder and not of the Issuer. All payments made by the Issuer may be subject to taxes, levies, fees, deductions or other payments required to be made, paid, withheld or deducted.

Risks relating to the effect of hedging transactions by companies of the Vontobel Group

Hedging and trading transactions entered into by the Issuer and by companies of the Vontobel Group involving an underlying of the Securities may have an adverse effect on the value of the Securities.

Risks in connection with adjustments, market disruption events, extraordinary termination and settlement

The Issuer may make adjustments to take account of relevant changes or events in relation to the respective underlying. The possibility cannot be excluded in this context that an adjustment may prove to be disadvantageous for the investor. The Issuer may also be entitled to terminate the Securities extraordinarily. In the event of extraordinary termination, the investors will lose their redemption rights in their entirety. There is a risk that the termination amount paid will be equal to zero (0). In the least favourable case, a total loss of the capital invested may therefore occur.

Risks with respect to potential conflicts of interest

Conflicts of interest may exist among the companies of the Vontobel Group which may have an adverse effect on the value of the Securities. The principal possible conflicts of

interest are set out under E.4.

Information risk

There is a possibility that investors may make incorrect decisions because of missing, incomplete or incorrect information, which may be outside the Issuer's control.

Currency risk

[if the Currency of the Underlying is different from the settlement currency, insert: Potential investors should be aware that an investment in the Securities is associated with exchange rate risks, since the rate of exchange between the currency of the underlying and the settlement currency of the Securities may move in a direction that is to their disadvantage.]

If the Settlement Currency of the Securities is different from the investor's domestic currency or the currency in which an investor wishes to receive payments, potential investors will be exposed to exchange rate risks.

Interest rate risk

An investment in the Securities entails an interest rate risk as a result of fluctuations in the rate of interest payable on deposits in the settlement currency of the Securities. This may have implications for the market value of the Securities.

[in the case of an offer with a subscription period, insert:

Aspects relating to public offers of the Securities

The sale of the Securities takes place during a subscription period. The Issuer and the Offeror reserve the right to terminate the subscription period early[or to extend it], to satisfy subscription applications in relation to the offer only partially (in particular in the event of oversubscription), or not to proceed with the issue of the Securities, without giving reasons. In such a case the subscribing investor may no longer be able to make an alternative investment or may be able to do so only on less favourable terms.]

Risk relating to the level of the cash amount

[for Discount Certificate structures, insert:

In the case of [Protect [Pro]] [Multi] [Express] Discount Certificates [Quanto], the potential cash amount [or the monetary value of the [[investment units] [index certificates] [ETPs] linked to the] underlying[s] to be delivered] is always limited to a maximum amount by the cap. The maximum possible gain is therefore restricted from the start.

With these Securities, the investor will suffer a loss if the underlying (taking into account the ratio) is quoted below the purchase price of the Securities at the end of their term *[for Protect (Pro):* and a barrier event has occurred [during the observation period] [on the valuation date]].

[In the case of Securities described as "Express", early redemption of the Securities takes place automatically if the underlying reaches the redemption level. This possibility may have a negative impact on the market value of the Securities. Investors should be aware that in the event of the early redemption of the Securities, they may not be able to make a follow-on investment except on less favourable terms.]]

[for Bonus Certificate structures, insert:

The holder of a [Multi] Bonus [Cap] [Pro] Certificate [Quanto] [with Airbag] will at least receive payment of a defined amount equal to the bonus level (taking into account the ratio), provided that a barrier event has not occurred.

If a barrier event occurs [during the observation period] [on the valuation date], the Security Holder is exposed to a risk of loss up to and including a total loss, comparable to a direct investment in the underlying (without taking dividend payments into account). This will occur if the underlying is worthless at the end of the term.

[It should also be noted in the case of [Multi] Bonus Cap Certificates that the Security Holder cannot participate in increases in value of the underlying[s] beyond the cap. The maximum possible gain is therefore restricted to the maximum amount from the start.]]

[for Reverse Bonus Certificate structures, insert:

In the case of Reverse Bonus [Cap] [Pro] Certificates [Quanto], the performance of the Security is based on the reverse of the performance of the underlying.

Investors should note that the potential return is limited due to the reverse structure even without taking a cap into consideration, since the negative performance of the underlying cannot exceed 100%.

[With Reverse Bonus Cap [Pro] Certificates, the Security Holder is unable to participate in negative performance of the underlying going beyond the cap, which restricts the potential upside return even more than would be the case anyway due to the reverse structure.]

Investors should note that if a barrier event occurs, the claim to the bonus payment is extinguished and the investor participates 1:1 in the inverse performance of the underlying. In this event, the investor faces the risk of a total loss of the capital invested. A total loss will occur if the underlying is equal to or higher than the reverse level at the end of its term.]

[for Fix Coupon Express Certificate structures, insert:

[Best Entry] [Protect [Pro]] [Multi] Fix Coupon Express [Certificates][Notes] may be redeemed early on any valuation date if specified redemption levels are [reached or] exceeded. Otherwise, the [Certificate][Note] continues its term unchanged until the next valuation date.

The investor cannot participate in increases in value of the underlying[s] going beyond the redemption level. If early redemption does not take place during the term as a result of the underlying[s] [reaching or] exceeding the redemption level, the investor may also suffer a loss if the reference price [of the] [of an] underlying is [equal to or] below [the strike][for Protect Pro, insert: the barrier] on the valuation date [for Protect (except for Pro), insert: and a barrier event has occurred during the observation period].

Investors should bear in mind that if the Securities are redeemed early, the expected return from an investment in the Securities may not be achieved.

Investors should also be aware that in the event of the early redemption of the Securities, they may not be able to make a follow-on investment except on less favourable terms.]

[for Express Certificate structures, insert:

[Best Entry] [Memory] [Protect [Pro]] [Multi] Express [Certificates][Notes] may be redeemed early on any valuation date if specified redemption levels are [reached or] exceeded. Otherwise, the [Certificate][Note] continues its term unchanged until the next valuation date.

The investor cannot participate in increases in value of the underlying[s] going beyond the redemption level. If early redemption does not take place during the term as a result of the underlying[s] [reaching or] exceeding the redemption level, the investor may also suffer a loss if the reference price [of the] [of an] underlying is [equal to or] below [the strike][for Protect Pro, insert: the barrier] on the valuation date [for Protect (except for Pro), insert: and a barrier event has occurred during the observation period].

Investors should bear in mind that if the Securities are redeemed early, the expected return from an investment in the Securities may not be achieved.

Investors should also be aware that in the event of the early redemption of the Securities, they may not be able to make a follow-on investment except on less favourable terms.]

[in the case of Securities with collateralisation (COSI), insert:

Risks relating to Securities with collateralisation (COSI)

Securities with collateralisation are collateralised by means of the Framework Agreement. Collateralisation eliminates the Issuer default risk only to the extent that the proceeds from the liquidation of collateral upon the occurrence of a liquidation event (less the costs of liquidation and payout) are able to cover the investors' claims.

The investor bears the following risks in particular:

- The collateral provider may be unable to deliver the additional collateral required in the event that the value of the Structured Products rises or the value of the collateral falls.
- SIX Swiss Exchange may be unable to liquidate the collateral immediately in a

liquidation event.

- The market risk associated with the collateral may result in insufficient liquidation proceeds.
- Maturity in accordance with the Framework Agreement of Structured Products in a foreign currency may generate losses for the investor, because the current value (which is relevant for the investor's claim against the Issuer) is determined in the foreign currency, while the payment of the pro rata net liquidation proceeds (relevant for the extent to which the investor's claim against the Issuer is extinguished) is made in Swiss francs.
- The collateralisation will be challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral may not be liquidated for the benefit of the investors in Structured Products in accordance with the provisions of the Framework Agreement.
- It may not be possible to pass on any liquidation proceeds as a result of the insolvency of SIX Swiss Exchange AG or the financial intermediaries.]

Risk of total loss

The Securities are **risky investment instruments** with the consequence that the capital invested by the investor may be lost in its entirety (**risk of total loss**). If a loss arises, it will consist of the price paid for the Security and the costs incurred, such as custodian fees or brokerage and stock exchange commissions. This risk of loss exists irrespective of the financial condition of the Issuer and of the Guarantor.

There is no provision for regular distributions[,payments of interest] or a (guaranteed) minimum redemption payment [– apart from the [interest payments][bonus payments]]. The loss of capital may be substantial with the result that in certain circumstances investors may suffer a total loss of their investment.

Section E – Offer

E.2b	Reasons for the offer and use of proceeds	The Issuer is free to use the proceeds from the issue of the securities. The use of such proceeds is solely for the purpose of making profits and / or hedging certain risks of the Issuer. In no event shall the Issuer be obliged to invest the proceeds from the Securities into the underlying asset or other assets.
E.3	Description of the terms and conditions of the offer	<i>[in the case of a new issue or an increase of issue of Securities, insert:</i> [Subscription Period: • Minimum Subscription Amount: • [Maximum Subscription Amount: •]] Issue Price: [•][<i>in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary</i>] [Price Surcharge (premium): •] Issue Date: • Value Date: • Issue Size: [•][<i>in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary</i>] Minimum Trading Lot: [•][<i>in case of multiple series of Securities, insert: as set out in the table annexed to the Issue Specific Summary</i>] Public Offer: <i>[only in the case of a private placement with the simultaneous admission of the Securities to trading in the regulated market of a stock exchange, insert: – not applicable –]</i> <i>[in the Czech Republic starting from: •]</i>

[in Denmark starting from: •]

[in Finland starting from: •]

[in France starting from: •]

[in Hungary starting from: •]

[in Italy starting from: •]

[in The Netherlands starting from: •]

[in Norway starting from: •]

[in Sweden starting from: •]

[In the case of a public offer without a subscription period, insert:

The Issue Price of the Securities was determined by the Market Maker.]

[In the case of a public offer with a subscription period, insert:

The Securities will be offered during the Subscription Period. The Issuer reserves the right to terminate the Subscription Period early[or to extend it], to satisfy subscription applications in relation to the offer only partially (in particular in the event of oversubscription), or not to proceed with the issue of the Securities, without giving reasons.]

[If placement is planned by door-to-door selling as described below then insert:

•, with registered office • (website: •) will act as lead manager (the "**Lead Manager**"), "*Responsabile del Collocamento*" pursuant to article 93-bis of the Italian Legislative Decree n. 58 dated 14 February 1998, as amended, in connection with the Offer.

The Offer Period for the Securities placed through "door-to-door selling" (pursuant to Article 30 of the Italian Legislative Decree n. 58 dated 14 February 1998, as amended, the "**Italian Financial Service Act**") shall be from • (inclusive) to • (inclusive), save in case of early termination or extension as agreed between the Issuer and the Lead Manager.]

E.4	Interests that are material to the issue/offer (including conflicts of interest)	Conflicts of interest may exist among the companies of the Vontobel Group that may have an adverse effect on the value of the Underlying and therefore the value of the Securities. <u>Trading transactions relating to the underlying</u> During the term of the Securities, the companies of the Vontobel Group may be involved in trading transactions, for their own account or for a customer's account, that directly or indirectly relate to the respective Underlying. The companies of the Vontobel Group may also become counterparties in hedging transactions relating to the Issuer's obligations arising from the Securities. Such trading or hedging transactions may have an adverse effect on the value of the Underlying and thus on the value of the Securities. <u>Exercise of other functions by companies of the Vontobel Group</u> The Issuer and other companies of the Vontobel Group may also exercise other functions in relation to the Securities, e.g. as calculation agent and/or as market maker. Such function may enable the Issuer and/or other companies of the Vontobel Group to determine the composition of the Underlying or to calculate its value. These functions may also lead to conflicts of interest, both among the respective companies of the Vontobel Group and between these companies and the investors in determining the prices of the Securities and in making other associated determinations. <u>Activity as Market Maker for the Securities</u> [Bank Vontobel Europe AG] [•] will act as market maker for the Securities (the "Market Maker"). Through such market making activities, the Market Maker will itself determine the price of the Securities to a significant extent. As a result, the prices set by the Market Maker may differ significantly from the fair value of the Securities and/or the value they would be expected to have from an economic point of view at the relevant time on the basis of various factors (principally, the pricing model used by the Market Maker, the value of the underlying, the volatility of the underlying, the remaining term of the Securities and the supply and demand for hedging instruments). In addition, the Market Maker may at any time revise the method it uses to determine the

prices quoted, e.g. by widening or narrowing the spreads between bid and offer prices.

Payment of commissions, own interests of third parties

In connection with the placement and/or the Public Offer of the Securities, the Issuer and/or other companies of the Vontobel Group may pay commissions to third parties. It is possible that these third parties may pursue their own interests in the course of making an investment decision or investment recommendation.

E.7	Estimated expenses charged to the investor by the issuer or the offeror	<i>[if no costs are charged to the purchaser or subscriber by the Issuer or Offeror over and above the Issue Price or the purchase price:</i> The investor may subscribe the Securities at the Issue Price or purchase the Securities at the purchase price. Neither the Issuer nor the Offeror will charge the subscriber or purchaser any costs over and above the Issue Price or the purchase price.] <i>[if any costs are charged to the purchaser or subscriber by the Issuer or Offeror over and above the Issue Price or the purchase price:</i> The Issuer [and][or] [the Offeror] will charge the subscriber [or purchaser] of the Securities with costs in addition to [the Issue Price] [and] [or] [the purchase price]. [Such price surcharge (premium) amounts [up] to • for each Security.][<i>insert other costs in addition to the Issue Price and/or the purchase price: •</i>] The investor can purchase the Securities at the purchase price during the term of the Securities.] Information on any transaction costs may be obtained from the relevant distributor.

[in case of multiple series of Securities, insert:

Annex to the Issue Specific Summary

INFORMATION RELATING TO ELEMENT C.1	INFORMATION RELATING TO ELEMENT C.2	INFORMATION RELATING TO ELEMENT C.15	INFORMATION RELATING TO ELEMENT C.16	INFORMATION RELATING TO ELEMENT C.19	INFORMATION RELATING TO ELEMENT C.20	INFORMATION RELATING TO ELEMENT E.3
ISIN [/]	Settlement Currency	Underlying /	Maturity Date [/]	Reference Price	Underlying[s]	Issue Price /
[WKN] [/]		[Initial Reference Price] [/]	[Valuation Date[s]] [/]			Issue Size /
[Valor] [/]		[Best Entry Price] [/]	[Final Valuation Date[s]] [/]			Minimum Trading Lot
[NGM Symbol] [/]		[Best Entry Observation Period] [/]	[Expiry Date]			
[insert additional securities identification number(s), if applicable: ●]		[Ratio] [/]				
		[Number of the Deliverable Asset] [/]				
		[Reverse Level] [/]				
		[Strike] [/]				
		[Cap] [/]				
		[Maximum Amount] [/]				
		[Redemption Level[s]] [/]				
		[Final Redemption Level[s]] [/]				
		[Redemption Factor] [/]				
		[Bonus Level[s]] [/]				
		[Bonus Threshold[s]] [/]				
		[Bonus Amount[s]] [/]				
		[Observation Date[s]] [/]				
		[Bonus Payment Date[s]] [/]				
		[Interest Commencement Date] [/]				
		[Interest Payment Dates]				

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2. Risk Factors

The principal objective of this section 2 is to protect potential purchasers of the Securities (Discount Certificates, Bonus Certificates, Reverse Bonus Certificates, Fix Coupon Express Certificates/Notes, Express Certificates/Notes and Reverse Convertibles) from investments that are not suitable for them, and to make investors aware of the related economic contexts that could result in significant changes in the value of the Securities.

No-one should purchase the Securities without having detailed knowledge of their method of operation, the total costs involved and the related risk factors. Only those who are in no doubt about the risks and are financially able to bear the losses that may be associated with them should purchase these types of Securities. When making a decision about the purchase of the Securities issued under the Base Prospectus dated 25 September 2018 (the "**Base Prospectus**"), investors should therefore **carefully read** the risk factors and conflicts of interest described below, together with the other information contained in the Base Prospectus, **understand the terms and conditions (the "Terms and Conditions") of the issue in detail and assess the suitability of the relevant investment, in each case taking into account their own financial, tax and other circumstances. If in doubt, prospective investors should seek advice from a qualified investment adviser, legal or tax adviser.**

The occurrence of these risks, individually or collectively, may have a material adverse effect (**up to and including total loss of the capital invested** plus the costs incurred, such as custodian fees or brokerage and stock exchange commissions) on the value of the Securities issued under this Base Prospectus or on the ability to trade them in the secondary market, have a material adverse effect on the business of Vontobel Financial Products GmbH (the "**Issuer**"), of Bank Vontobel Europe AG in its capacity as guarantor in connection with the guarantee under German law (the "**German Guarantor**") and of Vontobel Holding AG in its capacity as guarantor in connection with the guarantee under Swiss law (the "**Swiss Guarantor**") and have significant adverse effects on the assets and liabilities, financial position and profits and losses of the Issuer and the Guarantors.

The following discussion and analysis is intended to illustrate the risks relating to the method of operation of the Securities issued under this Base Prospectus and the risks associated with the Issuer and with the Guarantors. The following discussion and analysis and the examples it contains do not permit any conclusions to be drawn about specific product features of the Securities.

The following discussion and analysis of the risks relating to the Securities is divided into eight sections:

- (i) Material risk factors applying to all products (see section 2.1 of this Base Prospectus)
This section deals with risks that apply in principle to all types of Securities (product types) covered by this Base Prospectus.
- (ii) Material risks applying to specific underlyings (see section 2.2 of this Base Prospectus)
The performance of the Securities described in this Base Prospectus is primarily dependent on the performance of the underlying instruments to which they are linked. The investor may be exposed to further risks – in addition to those described under (i) – resulting from the link to a particular underlying. They are explained in this section.
- (iii) Material risks applying to specific Securities (see section 2.3 of this Base Prospectus)
As a supplement to section 2.1 of this Base Prospectus, risk factors applying only to particular product types due to their specific product features are presented here. These risk factors, together with the general risk factors applying to all products, represent the risks for specific types of Securities (product types).
- (iv) Risks relating to the Issuer (see section 2.4. of this Base Prospectus)
This section presents the material risks relating to the Issuer of the Securities, Vontobel Financial Products GmbH.
- (v) Risks relating to the German Guarantor (see section 2.5 of this Base Prospectus)
The material risks relating to Vontobel Holding AG, which acts as the Guarantor for the Issuer's securities issues, are presented in this section.
This section discusses the principal risks relating to Bank Vontobel Europe AG in its capacity as German Guarantor for issues of Securities by the Issuer.
- (vi) Risks relating to the Swiss Guarantor (see section 2.6 of this Base Prospectus)
This section discusses the principal risks relating to Vontobel Holding AG in its capacity as Swiss Guarantor for issues of Securities by the Issuer.
- (vi) Risks related to the legal enforcement of claims in relation with the Guarantees (see section 2.7 of this Base Prospectus)
This section discusses the principal risks related to the legal enforcement of claims in relation with the Guarantees due to the relevant governing law of the Guarantees and the relevant place of jurisdiction.

(viii) Risks relating to potential conflicts of interest (see section 2.8 of this Base Prospectus)

This section discusses the principal risks relating to potential conflicts of interest which may exist for companies of the Vontobel Group.

The chosen order or extent of the discussion and analysis does not represent a statement either on the probability of occurrence or on the severity and/or significance of the individual risks. In addition, there is a possibility that the Issuer will not be able, for reasons other than the risks described in this section, to make payments on Securities or in connection with them. This may be, for example, because, on the basis of the information available at the time of preparing this Base Prospectus, the Issuer has not identified material risks as such or has not foreseen their occurrence. The same applies to the Guarantors with respect to the risk factors applying to them.

References in the following to the "**Terms and Conditions**" refer to the "**General Conditions**" reproduced under section 8.1 of this Base Prospectus in conjunction with the "**Product Conditions**" (in the form in which they are included in the Final Terms).

References in the following to "**Securities**" are intended to include all types of Securities (Discount Certificates, Bonus Certificates, Reverse Bonus Certificates, Express Certificates, Express Notes, Fix Coupon Express Certificates, Fix Coupon Express Notes and Reverse Convertibles) and all forms (global certificate and intermediated securities) in which Securities can be issued under the Base Prospectus.

2.1 Material risks applying to all products

It should be noted as a general principle that the Securities are **risky investment instruments** with the consequence that the capital invested by the investor may be lost in its entirety (**risk of total loss**). If a loss arises, it will consist of the price paid for the Security and the costs incurred, such as custodian fees or brokerage and stock exchange commissions. This risk of loss exists irrespective of the financial condition of the Issuer and of the relevant Guarantor.

The Securities described in this Base Prospectus are tradeable bearer securities and give the respective Security Holder (in accordance with the Final Terms of the Securities) the right to the payment of a monetary amount (the "**Cash Amount**") or – in the case of a (physical) delivery redemption style – to the delivery of shares, securities representing shares (ADRs/GDRs) or other dividend-bearing securities, bonds, investment units, index certificates and exchange traded products ("**ETPs**") ("**Assets**") by the Issuer. The rights of the respective Security Holders are governed by the Terms and Conditions, which are exclusively applicable.

The investor's potential loss in this context always depends on the purchase price paid for the Securities and is calculated from the difference between (i) the purchase price plus costs incurred, such as custodian fees or brokerage or stock exchange commissions, and (ii) the amount paid by the Issuer on redemption. If the Securities are sold prior to maturity, the potential loss is calculated as the difference between the purchase price and the selling price of the Securities (taking into account the additional costs incurred in each case).

Investors should be aware that in the case of Securities with a nominal amount, redemption at the respective nominal amount is not guaranteed and the relevant Cash Amount may be (significantly) less than the nominal amount, and that in the worst case they may incur a total loss. Similarly, if the redemption style is (physical) delivery, the value of the assets delivered may be (significantly) less than the corresponding nominal amount, and in the worst case may be zero (0).

2.1.1 Market price risks

Investors should be aware that the price of the Securities during their term may be significantly lower than the purchase price.

The price of a Security depends primarily on the price of the respective underlying to which it is linked, but does not normally mirror those changes in the price of the underlying(s) exactly. All of the positive and negative factors affecting an underlying are therefore also reflected in principle in the price of the Security.

The following circumstances in particular may have an effect on the market price of the Securities, and individual market factors may be mutually reinforcing or may cancel each other out, i.e. may demonstrate a certain correlation to each other:

- Change in the intensity of fluctuations in price of the underlyings (volatility)
- Exchange rate movements
- Remaining term of the Securities
- General changes in interest rates
- Development of dividend payments where the underlying consists of shares or distributions on underlyings generally
- Distance of an underlying from any barriers or other relevant price thresholds
- Changes in the creditworthiness or perceived creditworthiness of the Issuer or the relevant Guarantor

2.1.2 Option risks relating to the Securities

The Securities described in this Base Prospectus are derivative financial instruments incorporating an option right which may therefore have many features in common with options. Transactions with options may involve a high level of risk. An investment in the Securities may be subject to very pronounced fluctuations in value and in some circumstances the embedded option will be completely worthless on expiry. In this event, the investor may lose the entire amount invested in the Securities.

The performance of the Securities is influenced by the performance of the respective option. If the value of the option declines, the value of the Securities may also decline in consequence.

2.1.3 Correlation risks

Correlation denotes the extent to which it was possible to establish a specific dependence between an underlying and a particular factor (such as changes in another underlying or in an index) in the past. If, for example, an underlying normally responds to a change in a particular factor by moving in the same direction, a high positive correlation can be assumed. The correlation takes a value between '-1' and '+1', whereby a correlation of '+1', i.e. a high positive correlation, signifies that changes in the value of the underlying and of the particular factor move in the same direction to a very high degree. With a correlation of '-1', i.e. a high negative correlation, the underlying moves in exactly the opposite direction. A correlation of '0' indicates that it was not possible to make any statement about the connection between changes in the value of the underlying and those of the particular factor.

Against this background, it may be the case, for example, that an underlying which can be fundamentally assessed as positive is associated with a performance of the underlying or of the Security that is unfavourable for the investor as a result of a change in the fundamental data relating to the relevant sector or country.

2.1.4 Volatility risk

Volatility denotes the degree of fluctuation or extent of the movement in price of an underlying or of a Security, within a defined period. Volatility is calculated on the basis of historical data and particular statistical procedures. The higher the volatility, the greater the movements in price both upwards and downwards. An investment in Securities or underlyings with a high volatility is therefore generally more risky than an investment in Securities or underlyings with low volatility since it entails greater potential for incurring losses.

2.1.5 Risks relating to historical performance

Investors should note that the past performance of an underlying or of a Security is not an indicator of its performance in the future. It is not possible to predict on the basis of historical data whether the market price of an underlying or of a Security will rise or fall.

If the development of the price of an underlying is contrary to its historical performance, investors face the possibility of monetary losses up to and including the total loss of the capital invested if they have selected a Security for investment relying on that performance.

2.1.6 Risks relating to financing the purchase of the Security with debt

If the purchase of the Securities is financed with debt, investors should be aware that in case that investment expectations do not realise they do not only have to bear a potential loss of the capital invested, but also have to pay the loan interest and to repay the loan. As a result, in this case investors are exposed to a significantly increased risk of loss. Before purchasing Securities using debt, investors must therefore consider whether they will still be able to pay the loan interest and repay the loan at short notice if necessary, in the event that losses or even a total loss of the capital invested is incurred.

Since the Securities do not provide any current income (such as interest or dividends, except for interest income in the case of Express Notes and Reverse Convertibles and bonus payments in the case of structures with unconditional bonus payments), investors must not assume that they will be able to use current income of that nature to service any loan interest falling due during the term of the Securities.

2.1.7 Transactions designed to exclude or limit risk

In view of the finite term of the Securities, investors cannot rely on the price of the underlying moving in a direction that is favourable from the investors' point of view or assume that – in the event of price falls – the value of the Securities will recover in time before the end of the term. Investors may not be able to hedge adequately against the risks associated with the Securities.

Purchasers of Securities should furthermore not assume that they will be able to purchase other securities or enter into legal transactions during the term of the Securities that could exclude or limit the risks from purchasing the Securities. The extent to which this is possible in specific circumstances depends on the prevailing market conditions and the respective terms and conditions. It may therefore not be possible to enter into such transactions at all, or only at an unfavourable (i.e. loss-making) price.

2.1.8 Inflation risk, risk of losing purchasing power

Investors should always take into account the decline in the value of money in the future when considering the intended duration of the investment or term of the Securities and the expected return for an investment in the Securities. The decline in the value of money has a negative effect on the real value of assets held and on the return generated in real terms. The higher the rate of inflation, the lower the real return on a Security. If the rate of inflation is equal to or higher than the return, the real return will be zero (0) or even negative.

2.1.9 Risks due to the economic cycle

Losses from price falls may arise because investors do not take the cyclical performance of the economy with its corresponding upward and downward phases into account, or do not do so correctly, when making their investment decisions and consequently make investments, or hold or sell Securities, at phases of the economic cycle that are unfavourable from their point of view. In particular, the prices of securities and currencies vary in the strength of their reaction to announced, proposed and actual changes in government economic and financial policy. For example, the effect of domestic or European measures on a country's general economic situation may be such that setbacks are experienced on the money and capital markets even though the prospects for future developments were originally considered to be favourable, or vice versa.

2.1.10 Psychological market risk

Factors of a psychological nature may also have a significant influence on the price of the underlyings and therefore on the performance of the Securities. These frequently irrational factors are almost impossible to assess. For example, moods, opinions and rumours may cause a decline or an increase in the price of the underlying even though the fundamental data (e.g. the results of operations or future prospects of a quoted company or demand for a particular commodity) have not necessarily changed. If the effect of these factors on the price of the underlying differs from the market reaction expected by the investor, the investor may suffer a loss.

2.1.11 Risks relating to trading in the Securities, liquidity risk

Where indicated in the Final Terms, applications will be made to include the Securities or admit them to trading on the stock exchanges and segments specified. Even after inclusion or admission to trading has been granted, there can be no guarantee that it will be maintained permanently. If the inclusion or admission to trading is not maintained permanently, the purchase and sale of the Securities may become considerably more difficult. Investors should note that even where Securities are included or admitted to stock exchange trading, this will not necessarily be reflected in high trading volumes in the Securities in question.

Trading on the stock exchanges and market segments specified is subject to numerous statutory requirements and stock exchange rules and regulations. Investors should acquaint themselves with the regulations applying on those exchanges and markets (such as the rules for cancelling trading transactions not executed at correct market prices, known as *mistrades*) prior to making a purchase of the Securities.

The rules and regulations of trading platforms and the framework for over-the-counter trading may provide for *mistrade* rules in certain circumstances, under which a participant in trading can apply for transactions in a security to be cancelled if, in the opinion of the applicant, they occurred on terms that were not in line with the market or as a result of a technical malfunction. For example, a *mistrade* may arise in the event of a malfunction in the technical system of the exchange, the relevant market maker or the online broker, if there is an objectively identifiable error when inputting a limit, an order or a price, or if the bid and offer prices on which the transaction was based are clearly not in line with market terms. The decision on the application is made by the agent responsible in each case in accordance with the rules and regulations of the relevant trading platforms. The risk for the Security Holder in this connection is that transactions it has carried out in a Security may be cancelled at the request of another participant in trading.

Bank Vontobel Europe AG, Munich or another entity as specified in the Final Terms will perform the function of the market maker (the "**Market Maker**") for the Securities. Under normal market conditions, the Market Maker will quote bid and offer prices for the Securities in an issue. However, the Market Maker has no obligation vis-à-vis the Security Holders either to perform the function of the Market Maker or to continue with the function of the Market Maker once commenced.

In the event of extraordinary market conditions or a highly volatile market environment, the Market Maker will generally not quote any bid or offer prices. The Market Maker will only quote bid and offer prices for the Securities under normal market conditions. But even under normal market conditions, it will not accept any legal obligation whatsoever vis-à-vis the Security Holders to quote such prices and/or to ensure that the prices it quotes are appropriate.

The Market Maker may enter into an obligation vis-à-vis these exchanges to quote bid and offer prices for specified order volumes or volumes of Securities in the context of the rules and regulations applying in the particular case (although any such obligation ("**Market Making**") will not apply in exceptional circumstances such as technical disruptions, special market situations or if the issue is temporarily sold out). However, such an obligation will apply only vis-à-vis the respective stock exchange involved. Third parties, such as the Security Holders, cannot derive any obligation on the part of the Market Maker from the above. Investors should therefore not assume that they will be able

to sell the Securities at a particular time or at a particular price. In particular, the Market Maker is under no obligation to repurchase the Securities.

Even if market making arrangements were in place at the beginning or during the term of the Securities, this does not mean that there will be market making arrangements throughout the whole of the Securities' term.

There can therefore be no guarantee that a secondary market in the Securities will develop, enabling investors to sell the Securities. The more restricted the secondary market is, the more difficult it may be for investors to sell the Securities in the secondary market. Even if a secondary market does develop, the price at which the Securities will be traded in the secondary market cannot be predicted.

The inclusion or admission to trading of the Securities on a stock exchange will also not necessarily increase liquidity in the Securities. Pricing on the stock exchanges normally only takes place within the spreads of the bid and offer prices quoted by the Market Maker and the relevant stock exchange order will generally be executed directly or indirectly with the Market Maker.

Potential investors therefore cannot assume that it will be possible to sell the Securities during their term, and must in any case be prepared to hold the Securities either (in the case of Securities with a finite term) until the valuation date, or (in the case of Securities with an unlimited term) at least until the next exercise date in order to redeem the Securities in accordance with the Terms and Conditions (by submitting an exercise notice).

A Security Holder cannot assume, in the case of either trading on an exchange or over-the-counter, that market participants other than the Market Maker will quote bid and offer prices for the Securities. Investors must expect Market Makers to quote wider spreads between bid and offer prices in the case of structured securities in comparison to shares. When purchasing or selling the Securities in the secondary market, therefore, the spread must be taken into account both for trading on an exchange and over-the-counter.

Delays in determining prices or widening spreads may occur in particular in the case of market disruption events and systems problems. Systems problems include telephone disruptions, technical difficulties in the trading systems, or power failures. Market disruption events occur in unusual market circumstances (e.g. exceptional market movements in the underlying or special situations in the home market) or due to serious disturbances in the economic and political situation (such as terrorist attacks or a crash, i.e. a sharp fall in stock exchange prices within a short space of time).

The issue size specified in the Final Terms corresponds to the maximum number of Securities being offered and the total nominal amount indicated in the Final Terms corresponds to the maximum total nominal amount; however, neither of these figures permits any conclusion to be drawn about the respective volume of Securities actually issued and deposited with the relevant central securities depository in accordance with the rules applicable in each case. This volume depends on market conditions and may change during the term of the Securities. It should be noted that it is also not possible to draw any conclusions about the liquidity of the Securities in the secondary market on the basis of the issue size specified.

Companies of the Vontobel Group may buy or sell securities linked to the reference asset of the underlying or the underlying itself at any time in stock exchange or off-market transactions. There is no obligation to inform the Security Holders of any such purchases or sales. Such purchases or sales may have an adverse effect on the respective price of the Securities.

2.1.12 Risks relating to the pricing of the Securities and the effect of transaction costs and commissions

Pricing of the Securities

Investors should note that the issue price or bid and offer prices quoted for the Securities in the secondary market may include a premium in addition to the original mathematical value of the Securities (so called fair value) which is not apparent to the investor. The so called margin and the mathematical value of the Securities are calculated by the Issuer or the Market Maker at their own discretion on the basis of internal pricing models and depending on a range of factors. The margin determined may differ from premiums charged by other issuers or market makers for comparable securities. In addition to income considerations, the following parameters among others are taken into account when calculating the margin: the mathematical value of the Securities, the price and volatility of the underlying, supply and demand for the Securities, the cost of hedging risk, premiums for accepting risk, the costs of structuring and selling the Securities and, where applicable, licence or management fees.

The effect of some of the factors affecting the price of the Securities may not be spread equally over the term of the Securities, but may be factored at an earlier point in time for the purpose of pricing the Securities, at the discretion of the Market Maker. These may include the margin included in the issue price, among other items.

For the reasons given above, the prices quoted by the Market Maker may differ from the mathematical value of the Securities, or the expected price from an economic point of view, which would have been formed at the relevant time in a liquid market on which prices are quoted by different market makers acting independently of each other. Furthermore, the Market Maker may, at its discretion, revise the methodology it uses to determine the prices quoted at any time, for example by modifying its calculation models or employing other calculation models, and/or widening or narrowing the spread between the bid and offer prices.

As long as the underlying to which the Securities are linked is also being traded on its home market during the opening hours for secondary trading in the Securities by the Market Maker or during the opening hours of the exchanges on which the Securities are admitted, the price of that underlying will be included in the calculation of the underlying and therefore indirectly in the calculation of the price of the Securities. However, if the home market of the underlying is closed while the Securities are being traded, the price of the underlying must be estimated. If the price of the underlying is estimated because its home market is closed, such an estimation may prove to be accurate, too high or too low within a very short period of time if the home market then opens for trading in the underlying. The prices quoted for the Securities by the Market Maker prior to the opening of the home market of the underlying will then also prove to be comparatively too high or too low in retrospect.

To the extent that bid and offer prices are also quoted for the Securities issued under the Base Prospectus at times during which the home markets of the underlyings are closed, this risk could affect all of the Securities. The same risk arises if the Securities are traded on days on which the home market of the underlying is closed because of a holiday.

Effect of transaction costs and commissions

The transaction costs and commissions associated with buying or selling the Securities as well as any taxes payable by the Security Holder will be borne by investors. This may lead to additional costs, especially in combination with a low order value.

It should be noted that the selling price of the Securities may include commissions which are charged by the Issuer or the Market Maker for the issue and/or which may be passed on by the Issuer or the Market Maker in full or in part to third parties (such as sales partners or investment advisers). This may result in a difference between the fair value of the Securities and the bid and offer prices quoted by the Market Maker; this difference is generally higher at the start of trading in the Securities and reduces over time, in some cases very rapidly. Any commissions included in the price will reduce the return the investor is able to achieve. Where price surcharges are provided for, they will generally be paid to the respective sales partner.

It should also be noted that the payment of these commissions to sales partners may generate conflicts of interest to the disadvantage of the investor, because this could create an incentive for the sales partner to sell products with a higher commission to its customers in preference to other products. Investors should therefore seek information from their own bank or financial adviser as to whether such conflicts of interest exist.

Any commissions included may be based on sales and paid to third parties as one-time payments or pro rata over the term. A distinction should be made between placement commissions and trail commissions. Placement commissions are paid based on sales as one-time payments or pro rata over the term; alternatively, the Issuer or the market maker may grant the respective sales partner a corresponding discount on the issue price or the selling price quoted in the secondary market. Trail commissions, also referred to as portfolio commissions, are recurring payments to the sales partners depending on the size of the portfolio.

2.1.13 Risks relating to the taxation of the Securities and the future of the final withholding tax

The payment of taxes, levies, fees, deductions or other amounts incurred in connection with the Securities is the responsibility of the respective Security Holder and not of the Issuer. All payments made by the Issuer may be subject to taxes, levies, fees, deductions or other payments required to be made, paid, withheld or deducted.

The information contained in this Base Prospectus relating to the taxation of the Securities merely reflects the opinion of the Issuer on the basis of the laws applying at the date of the Base Prospectus and does not represent tax or legal advice. The possibility that the tax authorities and tax courts may apply a different tax treatment cannot be ruled out.

Tax laws and the practice of the tax authorities are subject to change (including during the subscription period or term of the Securities), possibly with retrospective effect. This may have an adverse effect on the value of the Securities and/or the market price of the Securities. Any such change may mean (i) that the tax treatment of the relevant Securities may be different from the treatment that the investor thought was applicable at the date of purchase of the Securities; or (ii) that the information contained in this Base Prospectus relating to the tax laws and tax practice applicable to the Securities issued under this Base Prospectus is incorrect or no longer applicable in particular or all respects, and/or mean that material tax considerations relating to particular Securities are not included in this Base Prospectus. Security Holders therefore bear the risk that their understanding of the manner in which income arising from the acquisition of the Securities is taxed may be wrong, or that the manner in which income arising from the acquisition of the Securities is taxed may change to their disadvantage.

Investors liable to taxation in the Federal Republic of Germany should also note that, in the light of the currently prevailing opinion of the authorities, the possibility cannot be ruled out that losses arising as the result of a repayment at the end of the term which is lower than the cost of the Securities will also not be recognised for tax purposes by the tax authorities.

Moreover, the tax information provided in this Base Prospectus cannot serve as the sole basis for assessing an investment in the Securities from a tax point of view, since the particular situation of each individual investor must also be taken into account. Investors should always consult their personal tax advisers before deciding on a purchase of the Securities.

In recent times, the possible abolition of the final withholding tax (*Abgeltungssteuer*) has increasingly been a topic of discussion in political circles. The consequence of any such abolition would be, in particular, that the relevant investment income would no longer be taxed at a rate of 25% and that the respective investor's personal rates of income tax would be applied instead, which could therefore result in a higher tax liability.

Accordingly, potential investors are recommended to investigate this topic in more detail and in cases of doubt to consult their own tax advisers.

Financial transaction tax (various Member States of the European Union)

On 14 February 2013, the European Commission published a proposal (the "**Commission Proposal**") for a directive on a common financial transaction tax ("**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has given notice in the meantime that it no longer intends to participate.

The scope of the Commission Proposal is very wide and once adopted it would apply to particular transactions in the Securities (including secondary market transactions), subject to certain conditions.

Under the terms of the proposal, the FTT could apply, subject to certain conditions, to persons resident within and outside the participating Member States. In principle, the tax is intended to apply to particular transactions in the Securities where at least one party is a financial institution and at least one party is resident in a participating Member State. The circumstances in which a financial institution is "resident" or is deemed to be "resident" in a participating Member State are broadly defined and, among others, include (a) engaging in transactions with a person resident in a participating Member State and (b) cases in which the underlying financial instrument was issued in a participating Member State.

However, the FTT continues to be the subject of negotiations between the Member States. The proposal may therefore yet be subject to revision before any implementation, for which a date cannot yet be set. Other Member States could decide to participate.

Potential holders of the Securities are therefore recommended to consult their own specialist advisers on the subject of the FTT.

2.1.14 Risks in connection with the withholding tax pursuant to section 871(m) of the U.S. Internal Revenue Code

Section 871(m) of the U.S. Internal Revenue Code ("**IRC**") and the provisions issued thereunder stipulate that for certain financial instruments (such as for the Securities) a withholding tax (of up to 30% depending on the application of income tax treaties) shall be imposed if the payment (or deemed payment) on the financial instruments is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States. Pursuant to these U.S. legal provisions, certain payments (or deemed payments) under certain equity-linked instruments that refer to the performance of U.S. equities or certain indices that contain U.S. equities, as an Underlying or a Basket Component, shall be treated as dividend equivalents ("**Dividend Equivalents**") and shall be subject to U.S. withholding tax of 30% (or a lower income tax treaties rate).

This tax liability shall apply even if pursuant to the terms and conditions of the Securities no actual dividend-related amount is paid or an adjustment is made and thus investors can only determine with difficulty or not at all any connection to the payments to be made in respect of the Securities.

In withholding this tax, the Issuer will regularly apply the general tax rate of 30% to the payments subject to U.S. provisions (or deemed payments) and not any lower tax rate pursuant to any potentially applicable double taxation agreements. In such case, an investor's individual tax situation can therefore not be taken into account.

The Issuer's determination of whether the Securities are subject to this withholding tax is binding for the Security Holders, but not for the United States Internal Revenue Service (the "**IRS**"). The rules of section 871(m) require complex calculations in respect of the Securities that refer to U.S. equities and application of these rules to a specific issuance of Securities issue may be uncertain. Consequently, the IRS may determine they are to be applied even if the Issuer initially assumed the rules would not apply. There is a risk in such case that Security Holders are subject to withholding tax with retroactive effect.

There is also the risk that section 871(m) must also be applied to Securities that were not initially subject to withholding tax. This case could arise in particular if the Securities' economic parameters change such that the Securities are in fact subject to tax liability and the Issuer continues to issue and sell these Securities.

As the Issuer is not obliged to offset any withholding tax pursuant to section 871(m) on interest, capital or other payments to the Security Holders by paying an additional amount or by paying the tax amount out of the own margin, Security Holders will receive smaller payments in such case than they would have received without withholding tax imposed.

2.1.15 Risks relating to the effect of hedging transactions by companies of the Vontobel Group

During the normal course of business, the companies of the Vontobel Group trade in the instruments underlying the Securities as well as in derivative products linked to those underlyings. In addition, the companies of the Vontobel Group protect themselves against the financial risks associated with the Securities by entering into off-market hedging

transactions negotiated individually between two parties (over-the-counter or OTC hedging transactions) in the relevant underlyings or in derivatives on the underlyings. These activities performed by the companies of the Vontobel Group – in particular the hedging transactions linked to the Securities – may influence the price of the underlyings and thus indirectly the value of the Securities. In particular, the possibility cannot be ruled out that the inception or unwinding of these hedging transactions may have an adverse effect on the value of the Securities and/or the level of the Cash Amount to which the Security Holder is entitled. This applies especially to the liquidation of hedges towards the end of the term of the Securities.

Hedging and trading transactions carried out by the Issuer and by companies of the Vontobel Group involving an underlying of the Securities may have an adverse effect on the value of the Securities.

In the event of special market situations, where hedging transactions are not possible at all or only subject to more onerous conditions, the spreads between bid and offer prices determined by the Market Maker may widen. This can occur in particular outside the trading hours of the instrument underlying the Security on the relevant reference exchange or at times when trading in the underlying is illiquid or unusually volatile for other reasons. No claims will arise for the investor from any hedging transactions that the Issuer and/or its affiliated companies within the Vontobel Group enter into internally to hedge the payment obligations arising from issuing the Securities.

2.1.16 Risks relating to adjustments, market disruption events, extraordinary termination and settlement

Pursuant to the Terms and Conditions, the Issuer may make adjustments to take account of relevant changes or events in relation to the respective underlying. The nature of the adjustment and the method of implementing it depend on the particular underlying and can therefore have varying consequences.

The objective of adjustments is to ensure as far as possible that the financial (theoretical) value of the Securities is the same before and after the occurrence of an adjustment event, and to preserve the financial relationship between the Security and the underlying. If, in the reasonable discretion of the Issuer (*for Securities subject to German law, sections 315, 317 BGB*), this objective cannot be achieved by means of a sensible and reasonable adjustment, the Issuer also has the right in accordance with the Terms and Conditions to terminate the Securities extraordinarily and so cause the (early) termination of the term of the Securities. In the event of adjustments with respect to an underlying, the possibility cannot be excluded that the estimations on which the adjustment is based may prove with hindsight to be inaccurate, the adjustment may subsequently turn out to be disadvantageous for the investor, and the investor may find itself to be in a worse financial position than it was prior to the adjustment or would be as the result of a different adjustment.

In the event that the Issuer exercises its right of extraordinary termination, it is under no obligation to redeem the Securities by payment of the Cash Amount specified in the Terms and Conditions, but is liable only to the extent of the market price determined at that time or of an amount determined in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*). This entails the risk that the payment may be significantly lower than the Cash Amount required to be determined in accordance with the Terms and Conditions and that, at the date of the early redemption of the Securities, the investment may show a (significantly) lower return than the return expected at the end of the term or upon exercise of the Securities. **In the most unfavourable case, the value of the redemption may even be zero (0), resulting in not just a partial loss of the capital invested, but a total loss.**

There is in principle no ordinary or extraordinary right of termination of the Security Holder.

For the purpose of determining the appropriate market price in the event of extraordinary termination, the calculation agent may take a variety of market factors into account. In the case of Securities with a finite term linked to shares as the underlying, the calculation of the termination amount in the event of termination following a takeover offer can in principle be based on the price of the underlying after the takeover offer has been announced, in accordance with the usual procedure on derivatives exchanges for determining the theoretical fair value, provided that the consideration consists entirely or mainly of cash. However, dividend expectations and the average implied volatility for the ten trading days preceding the announcement of the takeover offer, in particular, must also be taken into account ("fair value method"). The fair value method ensures that the remaining time value of the underlying option is taken into account. The Issuer may determine on the basis of specified parameters that a market disruption event has occurred and/or is continuing. In this event there may be a delay in valuing the Security in relation to the underlyings, and this may affect the value of the Securities and/or delay the payment of the Cash Amount or the delivery of assets.

In the case of adjustments, market disruption events and early termination, the Issuer acts in its reasonable discretion (*for Securities subject to German law, sections 315, 317 of the German Civil Code (Bürgerliches Gesetzbuch, "BGB") are applicable*). It is not bound by actions or estimates of third parties in this regard. In certain cases specified in the Terms and Conditions (e.g. if a market disruption event persists for a certain period) the Issuer can also determine certain prices in its own discretion that are applicable for redemption of the Securities or for observing the occurrence of a barrier event in accordance with the Terms and Conditions.

During settlement, the Issuer is not liable for actions or omissions of settlement agents.

2.1.17 Information risk

There is a possibility that investors may make incorrect decisions because of missing, incomplete or incorrect information, which may be outside the Issuer's control. Incorrect information may arise as a result of unreliable sources

of information, incorrect interpretation of correct information, or as a result of transmission errors. In addition, an information risk may arise as a result of too much or too little information, or if the information provided is not up to date.

2.1.18 Currency risk (costs of currency hedging, Quanto structure)

Where the respective underlying is denominated wholly or partly in a currency other than the settlement currency, the Issuer will specify in the Final Terms how conversion into the settlement currency will take place and whether the features of the Securities include a "Quanto structure". The Issuer or Market Maker achieves this using a quantity adjusted option, or Quanto for short ("Quanto structure"), and specifies the conversion rate between the two currencies at the time of the issue. In the case of Securities with a Quanto structure, therefore, conversion from the currency of the underlying into the settlement currency of the Securities uses a conversion rate of 1:1.

Irrespective of the above, potential investors should be clear that an investment in the Securities may also involve exchange rate risks if the Securities are linked to one or more exchange rates as the underlying(s), or if the settlement currency of the Securities is different from the domestic currency of the investor or the currency in which an investor wishes to receive payments. The conversion of the respective payment into the corresponding currency entails the risk that, if the relevant exchange rate develops unfavourably, the amount of the payment will be reduced accordingly.

The rates of exchange between currencies are determined by supply and demand on the international foreign exchange markets which are influenced by a variety of factors, such as speculative activity, general economic factors and interventions by central banks and government agencies or other political factors (including foreign exchange controls and restrictions). Exchange rate movements may have an effect on the value of the Securities and in relation to the amounts payable. The risks described above may intensify if the relevant currency is the currency of an emerging market.

In the case of Securities **without a Quanto structure**, the currency risk is as follows:

If the reference price for the purposes of redemption or another payment is converted into the settlement currency at the applicable conversion rate in accordance with the Final Terms, the investor is exposed to a currency risk because the rate of exchange between the currency of the underlying and the settlement currency on the date of the currency conversion for the purposes of redemption may be different from the rate of exchange at the date when the Securities were purchased.

Changes in the rate of exchange between the currency of the underlying and the settlement currency will already affect the value of the Securities during their term, since the bid and offer prices are quoted in the relevant settlement currency.

Exchange rate movements may reduce the value of the Securities even if the price of the underlying expressed in a foreign currency has performed positively from the investor's point of view since the date of purchase of the Securities. The investor's risk of loss is then not just linked to the performance of the underlying on which the Security is based. An additional factor which must be noted is that the relevant exchange rate for the purposes of the currency conversion may change between the time at which the relevant price of the underlying for the purpose of calculating the Cash Amount is determined and the time at which the relevant exchange rate is determined, with the result that a Cash Amount converted into the settlement currency may be reduced accordingly.

In the case of Securities **with a Quanto structure**, the following risk with respect to currency hedging applies:

Hedging against currency risks using a Quanto structure may prove to be unfavourable from the investor's point of view in hindsight if the – unhedged – exchange rate moves in a direction that is in principle beneficial for the investor, since the investor does not participate in that favourable movement.

Moreover, currency hedging generally involves costs that are included in the issue price as a premium in addition to the mathematical value of the Securities which is not apparent and may adversely affect the return on the Securities as a result. See also the information about the issue price in section 2.1.12 of this Base Prospectus.

2.1.19 Interest rate risk

An investment in the Securities entails an interest rate risk as a result of fluctuations in the rate of interest payable on deposits in the settlement currency of the Securities. This may have implications for the market value of the Securities.

Interest rates are generally determined by supply and demand in the international money markets. However, they are influenced by a variety of factors including speculative activity, the effects of general economic developments, interventions by central banks and government agencies or other political measures. Fluctuations in short-term or long-term interest rates may affect the value of the Securities in ways which are unfavourable from the investor's point of view.

2.1.20 Aspects relating to public offers of the Securities

As described in the Base Prospectus, the Securities may be sold by means of a public offer during a defined offer period or during a subscription period, as specified in the respective Final Terms. The Issuer and/or the Offeror reserve(s) the right during the respective offer period to cancel the offer. Investors should note that, in the event of an offer of the Securities during a subscription period, the Issuer and/or the Offeror reserve(s) the right to terminate the subscription period early or, if so provided in the Final Terms, to extend it, to satisfy subscription applications in relation to the offer

only partially (in particular in the event of oversubscription), or not to proceed with the issue of the Securities, without giving reasons. In these circumstances, it is possible that an investor subscribing for Securities will be allotted only a smaller number of Securities than the number subscribed for, or no Securities at all. Payments made by a subscribing investor relating to Securities that are not allotted to the investor for one of the reasons mentioned will be reimbursed. Reimbursements may be subject to delay, however, no interest will accrue on the amount of the reimbursement. In the event of the early termination or extension of the subscription period, the fixing date applying for the specification of particular features of the Securities, and accordingly the value date, may be rescheduled.

In such a case the subscribing investor may no longer be able to make an alternative investment or may be able to do so only on less favourable terms.

2.2 Material risks applying to specific underlyings

The Securities are linked to one or more underlyings. Shares, securities representing shares (ADRs/GDRs) or other dividend-bearing securities, indices, bonds, exchange rates, commodities, futures, interest rate futures, interest rates, investment units or virtual currencies may be specified as underlyings. The Issuer will specify the underlying to which the Security being issued relates in the Final Terms.

A feature common to all of the Securities presented in this Base Prospectus is that the level of the Cash Amount is linked to the performance of the underlying. The performance of the underlying may be subject to fluctuations over time. Depending on the structure of the Securities, a rise or a fall in the underlying may be unfavourable for the investor. There is no guarantee that the underlying will move in a direction that is favourable for the respective investor and corresponds to the investor's expectations.

Past experience shows that the underlying-specific risks described below will lead to a falling rate or price of the underlying in the majority of cases or in extreme cases to the underlying expiring worthless. For investors in the Securities presented in this Base Prospectus (with the exception of the "Reverse Bonus Certificates" type of Securities), such movements in the underlying are unfavourable and therefore represent a risk relating to the Securities. For investors in the "Reverse Bonus Certificates" type of Securities, on the other hand, the risk consists of rising rates or prices of the underlying. Depending on the structure of the Security and the effect of the risks described below on the rate, level or price of the underlying, the realisation of these risks may result in investors suffering a total or partial loss of their investment.

The amounts payable on the maturity or termination of the Securities are therefore determined entirely by the price or value of these underlyings, as presented in the respective Final Terms. Accordingly, investors should study the Base Prospectus and the respective Final Terms carefully to familiarise themselves with the effects of this linkage between the respective underlyings and the respective Security.

2.2.1 Risks relating to shares, securities representing shares and other dividend-bearing securities as an underlying

The price of a share, security representing shares or other dividend-bearing security (e.g. profit participation right, participation certificate) depends on a range of factors specific to the particular market and sector which are outside the control of the Issuer. The price of such securities may be subject to fluctuations and the development of the price depends on macroeconomic factors such as, for example, the rate of interest or level of prices on the capital market, the development of the currency, political or economic circumstances or other factors specific to the company which issued the securities in question. The issuer of the shares and/or companies affiliated to it may become insolvent or illiquid and the shares could even become worthless as a result.

The intensity of the risks is also affected by the respective market capitalisation. Shares of companies with a low market capitalisation may be highly illiquid due to low trading volumes.

The regional situation should also be taken into account. Shares of companies that have their headquarters or their principal operating activities in countries with a low level of legal stability, for example, are subject to the risk of detrimental and unexpected actions by governments and/or nationalisations.

If the Securities are linked to shares that were not issued under the investor's domestic laws but under the laws of another state, the rights arising from and to those shares may be defined wholly or partly in accordance with that state's laws which are foreign to the investor. In that case, the jurisdiction to which the shares are subject may include provisions as a result of which in the event of the company facing financial difficulties or insolvency, for example, the relevant shares may decline in value more rapidly or to a greater extent than would be the case if the shares were subject (only) to the investor's domestic laws. Such a decrease in value or fall in price of the shares may have a negative effect on the value of the Securities.

In the case of Securities linked to shares, the Securities do not certify an entitlement to dividend payments or other cash distributions. For that reason, no dividends or other cash distributions are paid to the investor in the event that a dividend payment or other cash distribution is made on the underlying.

Additional risks have to be taken into account where securities representing shares – mostly in the form of "ADRs" ("American Depositary Receipts") or "GDRs" ("Global Depositary Receipts") – are used as underlyings.

ADRs are participation or depositary certificates issued in the USA by custodian banks; they certify a proportion of ownership in foreign shares. The shares on which the ADRs are based are usually held in the respective issuer's home country outside the USA. ADRs are traded on stock exchanges around the world in lieu of the original shares. GDRs also certify a proportional interest in foreign shares. The original foreign shares are usually held in the respective issuer's home country. They are different from ADRs in that they are generally offered to the public or placed outside the USA.

Each security representing shares certifies a certain proportion of the underlying foreign shares, i.e. one ADR or GDR may represent one share, multiple shares, or even only a fraction of a share (reference quantity). The market price largely corresponds to the market price of the underlying shares, taking the respective reference quantity into account. Negative variances are possible, for example because of fees levied by the custodian bank. The issuer of the underlying shares may make distributions with respect to the shares that are not passed on to the purchasers of the securities representing shares, as a result of which the value of the securities representing shares and therefore of the Securities may be affected. Securities representing shares and the underlying shares may be traded in different currencies. Exchange rate fluctuations between those currencies may have a negative impact on the value of the securities representing shares.

Fees charged by the custodian, which is generally located in the home country of the issuer of the shares, and by the custodian bank may have a negative impact on the value of the ADRs or GDRs and therefore also adversely affect the value of the Securities.

In the event of the insolvency of the custodian bank and/or enforcement measures against it, the possibility cannot be ruled out that the holding of shares underlying the securities representing shares may be liquidated and/or that restrictions on the right of disposal may be imposed on it. This may render the securities representing shares and the Securities linked to them worthless. This therefore represents an additional risk of loss for the investor – except in the case of the "Reverse Bonus Certificates" type of Securities –, up to and including a total loss in the worst case.

In addition, it should be noted in particular that, in the event of the insolvency of the custodian bank or if the custodian bank changes the conditions or discontinues the offer of the securities representing shares or the securities representing shares are delisted, the Issuer has the right to amend the Terms and Conditions or terminate the Securities early.

2.2.2 Risks relating to indices as an underlying

If the underlying is an index, its performance is influenced by the performance of the index constituents.

Indices serving as underlyings for the Securities presented in this Base Prospectus are not designed by companies of the Vontobel Group but by other providers. Investors must take note of the respective index descriptions and understand how the respective index functions. Investors cannot assume that the respective index will be successful; they must therefore form their own opinions of the index.

The value of the index is derived in principle from the value of its constituents in accordance with the investment and calculation rules. The level of an index therefore depends primarily on the performance of the individual constituents of which the respective index is composed. Changes in the composition of the index and factors that affect or may affect the value of the constituents are reflected in the value of the index and may therefore have an impact on the return from an investment in the Securities. Fluctuations in the value of one constituent may be reinforced by fluctuations in the value of another constituent. If the value of at least one constituent is denominated in a currency other than the currency in which the index itself is calculated, the investor may be exposed to an implicit currency risk since, for the purpose of calculating the value of the index, the value of the constituent is converted into the currency of the index. Exchange rate fluctuations may mean that the value of the index constituent expressed in the currency of the index has fallen, even though its price has in fact risen. There remains in any event a separate potential currency risk resulting from any divergence of the currency of the index from the settlement currency of the Securities.

It should be noted that the constituents of such an index may be deleted or replaced, or new constituents may be added or other changes may be made to the index methodology which may change the amount of one or more constituents. The replacement of the constituents of an index may affect the level of the index since, for example, a newly added company may perform significantly better or worse than the company replaced, which may in turn affect the amounts payable by the Issuer to the Security Holder. Furthermore, the calculation or the promotion of the index may be revised, terminated or suspended. The index sponsor of such an index or a reference agent will not be involved in the offer and sale of the Securities and will have no obligation of any kind with respect to any Security Holder. All measures relating to the index may be taken without regard to the interests of the Security Holders and any of these measures may have an adverse effect on the market value of the Securities.

In addition, the information provided under "2.5 Risks relating to commodities as an underlying" and "2.6 Risks relating to futures and interest rate futures as an underlying" should be noted with respect to the index constituents.

Treatment of distributions from the index constituents

If the index to which the Securities are linked is a price index (PR), then it should be noted that distributions and income attributable to the index constituents (e.g. in the case of share indices: dividends or other cash distributions) are not included in the calculation of the index level and have no effect on the calculation of the security right. An investor in Securities linked to price indices, therefore, cannot participate in such distributions of the index constituents. On the

contrary, the treatment of dividend payments from the index constituents in this case results in a reduction of the index level and therefore in principle in a fall in the underlying.

By contrast, in the case of performance or total return (TR) indices, distributions and income from the index constituents are included in the calculation of the index level by the index calculation agent. Where the index calculation agent does not include these amounts in the calculation in full, however, but reduces such distributions and income by a theoretical withholding tax, the method of calculation is also referred to as net return; the market does not make a clear distinction between total return and net return on a consistent basis, however.

Investors must therefore read the respective index descriptions to establish whether and, where relevant, to what extent distributions and income from individual index constituents are included in the calculation of the index level.

Correlation risk

A special feature of Securities linked to indices is that the level of the payment on redemption is based on the performance of a number of index constituents. For this reason, another factor affecting the value of the Securities is the correlation between the index constituents, i.e. – expressed simply – the degree to which the performance of the individual constituents depends on the performance of the other constituents. For example, if all the constituents originate from the same sector and country, a high positive correlation can be assumed. The correlation takes a value between '-1' and '+1', whereby a correlation of '+1', i.e. a high positive correlation, signifies that changes in the value of the constituents always move in the same direction. With a correlation of '-1', i.e. a high negative correlation, the constituents always move in exactly the opposite direction. A correlation of '0' indicates that it is not possible to make any statement about the connection between changes in the value of the constituents. Depending on the redemption structure, a high correlation between the individual constituents will increase or reduce the risk for the investor, since diversification using different investment strategies is not being achieved and/or attempted. A high positive correlation between the individual constituents can represent an additional risk of loss for investors in the case of Securities featuring a barrier, since there may be a higher likelihood that an underlying will reach a barrier.

Particular risks relating to dividend indices

If the Securities are linked an index, which is based in turn on the dividends of particular shares, the performance of the index depends on the declaration and payment of any such dividends payable by the issuers of the relevant shares. Such declaration and payment of any dividends payable may be subject to unpredictable fluctuations over time.

Risks relating to the regulation and reform of benchmarks

Indices to which the Securities are linked regularly represent benchmarks. Benchmarks are in some respects the focus of recent national, international and other supervisory regulations and reform proposals. These new developments may result in the benchmarks concerned performing in ways which differ from their performance in the past or ceasing to exist entirely (for example, the indices may be faced with higher costs due to the regulatory requirements imposed on their administrators), or have other currently unforeseeable ramifications. Regulation may increase the costs and risks involved in the management of benchmarks or have other effects on the determination of the benchmarks and compliance with such provisions and requirements. This may result in market participants no longer administering or contributing to the determination of certain benchmarks or in changes in the rules and methodologies according to which particular benchmarks are calculated. These factors may also lead to the discontinuation of some benchmarks. The discontinuation of benchmarks or changes in their administration may, depending on the Terms and Conditions, result in an adjustment of the Terms and Conditions of the Securities or possibly even the extraordinary termination of the Securities by the Issuer.

One of the principal reforms relating to benchmarks is the regulation of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds ("**EU Benchmarks Regulation**"), which is expected to apply from the first quarter of 2018. The EU Benchmarks Regulation applies to contributors, administrators and users of benchmarks in the European Union. The Regulation could have a material effect on Securities linked to an index that qualifies as a benchmark. In particular, an index that qualifies as a benchmark may not be able to be used as such unless the administrator receives authorisation, and the methodology or other provisions of the benchmark could be modified in accordance with the provisions of the EU Benchmarks Regulation and result in a rise or fall in the relevant level of the index or affect its volatility.

All of these factors could have a material adverse effect on the level of the relevant index and therefore also on the value of the Securities linked to the index.

2.2.3 Risks relating to bonds as an underlying

In the case of Securities where bonds are used as underlyings, investors should bear in mind that the secondary market for these bonds may be limited. This is frequently because the issuer of the respective bonds is often the only market maker for them. It therefore remains uncertain whether and to what extent a secondary market will develop for the bonds and whether or not this secondary market will be liquid. The consequence of this is that the price of the bonds depends on the pricing by their issuer in its role as market maker.

If bonds are used as underlyings, investors are exposed to the insolvency risk of the issuer of the bonds (in addition to the insolvency risk of the Issuer of the Securities presented in this Base Prospectus). The insolvency of the issuer of the

bonds may render the bonds, and in some cases the Securities linked to them, worthless. This therefore represents an additional risk of loss for the investor – except in the case of the "Reverse Bonus Certificates" type of Securities –, up to and including the risk of a total loss in the worst case.

2.2.4 Risks relating to exchange rates as an underlying

The rates of exchange between currencies are determined by supply and demand on the international foreign exchange markets which are influenced by a variety of factors, such as speculative activity, general economic factors, interventions by central banks and government agencies or other political factors (including foreign exchange controls and restrictions). Exchange rate movements may have an effect on the value of the Securities and in relation to the amounts payable. The risks described above may intensify if the relevant currency is the currency of an emerging market.

In the case of exchange rates as the underlying, it should be borne in mind that if a country's key interest rate is increased, this may cause that country's currency to appreciate, because demand for government bonds normally rises in such cases. The converse may apply accordingly, with a cut in the base rate leading to depreciation of the country's currency.

In the case of Securities with a barrier, it should also be noted that exchange rates are traded in interbank trading for 24 hours a day through the time zones in Australia, Asia, Europe and the Americas, during which the underlying may reach and rise above or fall below the barrier. For Securities linked to these underlyings in particular, therefore, the possibility exists that an underlying may also reach and rise above or fall below the barrier outside local trading hours.

2.2.5 Risks relating to commodities as an underlying

Commodities are mineral commodities (such as oil and gas), agricultural produce (such as coffee, wheat and corn), precious metals (such as gold, silver and platinum) and non-ferrous metals (such as nickel, zinc and tin) (referred to collectively in the following as "**Commodities**").

Commodities are often exposed to complex price risks. Their prices are subject to greater fluctuation than in the case of other asset classes (high volatility). In particular, commodities markets are generally less liquid than bond, foreign exchange and equity markets. As a result, changes in supply and demand have a more pronounced effect on prices and volatility, making investments in Commodities riskier and more complex. Examples of some of the typical factors affecting commodity prices are given in the following:

The planning and management of commodity supplies takes up a lot of time. For this reason, the flexibility of commodity supplies is limited, and it is not always possible to adapt production quickly to meet changes in demand. Demand may also vary from region to region. In addition, the transportation costs for Commodities in regions where they are required have an impact on prices. The cyclical behaviour of some Commodities produced during certain times of year, such as agricultural produce, many lead to major price fluctuations.

Direct investments in Commodities attract costs for storage, insurance and taxes. Moreover, no interest or dividends are paid on Commodities. These factors have an impact on the overall return on Commodities.

Not all commodities markets are liquid and able to react quickly and to the extent required in response to changes in supply and demand. Since only few market participants are active on the commodities markets, high levels of speculation may have negative consequences and distort prices.

Unfavourable weather conditions can affect the supply of certain Commodities for a whole year. A supply crisis triggered in this way may give rise to sharp and unpredictable price fluctuations. The spread of disease and outbreaks of epidemics may also influence the price of agricultural produce.

Commodities are often produced in emerging countries and demanded by industrialised countries. However, the political and economic situation in emerging countries is usually considerably less stable than in the industrialised countries. They are much more exposed to the risks of rapid political change and economic setbacks. Political crises may shake investor confidence, and this may in turn influence commodity prices. War or armed conflict may change the supply of and demand for certain Commodities. In addition, it is possible that industrialised countries may impose an embargo on the export and import of goods and services. This could have a direct or indirect impact on the price of Commodities. Moreover, a number of commodity producers have formed organisations or cartels to regulate supply and thus influence prices.

Changes in tax rates and customs duties may have the effect of reducing or increasing returns for commodity producers. If these costs are passed on to customers, such changes will have an effect on the prices of the affected Commodities.

The factors and circumstances described in this section that have or could have a direct or indirect effect on the value of Commodities may also have an adverse effect on the price of the Securities. For example, a reduction in availability is generally reflected in an increase in the price of the Commodity, which represents a risk for investors in the "Reverse Bonus Certificates" type of Securities described in this Base Prospectus.

In the case of Securities with a barrier, it should also be noted that Commodities are traded in interbank trading for 24 hours a day through the time zones in Australia, Asia, Europe and the Americas, during which the underlying may reach and rise above or fall below the barrier. For Securities linked to these underlyings in particular, therefore, the possibility exists that an underlying may also reach and rise above or fall below the barrier outside local trading hours.

2.2.6 Risks relating to futures and interest rate futures as an underlying

Futures and interest rate futures are standardised forward contracts linked to financial instruments (e.g. shares, indices, interest rates, currencies or units of account (including virtual currencies), bonds) known as financial futures, or metals and commodities (e.g. precious metals, wheat, sugar), known as commodity futures. The price of a future or of an interest rate future therefore depends primarily on the performance of the relevant reference asset.

A forward contract constitutes the contractual obligation to buy or sell a certain amount of the relevant object of the contract (the "reference asset") at an agreed price and at a pre-determined date. Futures contracts are traded on derivatives exchanges and are to this end standardised with regard to contract size, nature and quality of the object of the contract and, if applicable, places of delivery and delivery dates.

Generally, there is a strong positive correlation between the price development of an underlying on the spot market and the corresponding futures market. However, in principle futures contracts are traded at a premium to, or discount from, the spot price of the underlying reference asset. The difference between the spot price and the futures price, known as the "basis" in the terminology used on futures exchanges, is the result of the inclusion of costs usually incurred in connection with spot transactions (storage, delivery, insurance etc.) and/or of income usually generated through spot transactions (interest, dividends etc.) on the one hand, and differences in the evaluation of general market factors prevailing on the spot and futures markets on the other. Moreover, liquidity on the spot market may differ considerably from that on the corresponding futures market, depending on the underlying.

Since the Securities are linked to the exchange price of the underlying futures contracts specified in the Final Terms, knowledge of the market for the reference asset to which the respective futures contract is linked as well as of the method of operation and valuation factors of forward and futures transactions is necessary to make a valid assessment of the risks associated with the purchase of these Securities.

Particular risks relating to dividend futures contracts as the underlying

Dividend futures contracts represent the total dividends distributed by all of the companies included in the index underlying the dividend futures contract in index points, after applying the index divisor. The dividend stream for one calendar year is replicated, i.e. the respective contract only represents the dividends expected for the relevant calendar year. The performance of the index underlying the dividend futures contract depends on the declaration and payment of any such dividends payable by the issuers of the relevant shares. Such declaration and payment of any dividends payable may be subject to unpredictable fluctuations over time. The calculation of the dividend futures contract is based in principle on all ordinary gross dividends of the companies included in the underlying index. Special dividends, repayments of capital or similar distributions, however, are disregarded to the extent that the respective index sponsor makes an adjustment to the underlying index. Security Holders cannot assume that the companies currently included in the index underlying the dividend futures contract will continue to be included in the index in the future. The composition of the companies included in the index may change during the term of the Securities, which may have an adverse effect on the underlying and on the value of the Securities.

Futures contract with the next expiry date and Rollover

Since futures and interest rate futures contracts each have a specific expiry date, the Issuer may, in the case of Securities with a longer term, replace the underlying, at a time specified in the Final Terms, with a futures or interest rate futures contract that, apart from having a longer maturity, has the same contract specifications as the futures or interest rate futures contract initially serving as the underlying (known as "**Rollover**"). If no futures or interest rate futures contract exists at that point in time with underlying terms and conditions or principal contract features that match those of the underlying which it is intended to replace, the Issuer has the right, in accordance with the Terms and Conditions, to replace the futures or interest rate futures contract or to terminate the Securities.

The Rollover will be carried out on a trading day (the "**Rollover Date**") within a timeframe specified in the Terms and Conditions, shortly before the current futures contract expires. The reference values on the basis of which the Rollover of the underlying to the new underlying is carried out may be determined by the Issuer in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) within the limits specified in the Terms and Conditions. For Securities with a barrier, this futures contract determined at the reasonable discretion of the Issuer is then also relevant until the next Rollover Date for assessing whether the price of the underlying has reached, exceeded or fallen below the respective barrier.

A factor which plays a central role with respect to the Rollover is whether the price of the futures contract with the next expiry date, i.e. the contract being rolled into, is higher or lower than the price of the expiring futures contract. If the market is in "contango", the price of the futures contract with the next expiry date being rolled into is higher than the price of the expiring futures contract. The reverse situation is known as a market in "backwardation". In this case, the price of the futures contract with the next expiry date being rolled into is lower than the price of the expiring futures contract.

Depending on the variation in price and the structure of the Security, carrying out the Rollover may affect the price of the Security to the disadvantage of the Security Holders.

Since the prices of the existing and new futures contracts are generally different, the investor also faces the risk that a barrier or other threshold relevant for the redemption of the Securities will be reached in connection with carrying out the Rollover. In this event, the investor may suffer a loss up to and including a total loss of the capital invested.

Investors should also note that ongoing bid and offer prices for the Securities cannot be quoted in the secondary market while a Rollover is being carried out, i.e. it may be more difficult or impossible to buy or sell the Securities during a Rollover.

2.2.7 Risks relating to interest rates as an underlying or reference interest rate

Interest rates depend on the supply and demand for investments in currencies on the international money and capital markets, which are influenced, among other things, by speculative activity, general economic factors, interventions by central banks and government agencies or other political factors. The market level of interest rates on the money and capital markets, however, is frequently subject to substantial fluctuations, as a result of which the holder of Securities with interest rates as an underlying, or as the reference asset for an interest rate futures contract serving as the underlying, is exposed to this risk of changes in interest rates.

If the underlying is a fixed-interest financial instrument, movements in interest rates can be expected to have an especially significant impact on the value of the Securities. A change in the market level of interest rates gives rise to a movement in the respective opposite direction in the price of a fixed-interest financial instrument: If the market level of interest rates increases, the price of the financial instrument normally falls until its yield is approximately equal to the market rate of interest, which is unfavourable for investors in the Securities (with the exception of the "Reverse Bonus Certificates" type of Securities) presented in the Base Prospectus. If, on the other hand, the market level of interest rates falls, the price of the fixed-interest financial instrument increases until its yield is approximately equal to the market rate of interest. A development of this kind is therefore unfavourable for investors in the "Reverse Bonus Certificates" type of Securities.

2.2.8 Risks relating to investment units as an underlying

If investment units are used as underlyings, investors should note that, depending on the type of fund, e.g. share funds, bond funds, annuity funds, real estate funds etc. as well as funds investing in different assets, the capital accruing to the fund is also invested on the capital market. As a result, the risks arise primarily from the nature of the fund. This means that the value of an investment unit is subject to the same risks, influences and fluctuations as the assets of which the fund is made up. Investors must be able to form their own opinions of the particular features and risk profiles of the assets contained in the fund in order to make an assessment of the expected performance of the underlying.

In addition, investors should note with respect to the performance of the underlying that if investment units are used as underlyings, the relevant reference agent may determine the value of an investment unit (as a price, redemption price or value designated accordingly) only on valuation dates applicable to the fund. Other values determined for the respective investment unit, in particular any prices of the respective investment unit determined and published on a stock exchange, are not taken into account, unless the Final Terms expressly provide otherwise.

Exchange traded funds

If the Securities are linked to units of an exchange traded fund (ETF), the following particular risks arise, which may have an adverse effect on the value of the ETF units forming the underlying and thus on the value of the Securities.

The aim of an ETF is to track an index, a basket or specific individual assets, such as gold (gold ETF), as closely as possible. The value of an ETF therefore depends in particular on the price performance of the individual index or basket constituents or of the other individual assets. However, the possibility cannot be ruled out that the price performance of the ETF may diverge from that of the index or basket or of the individual assets (known as tracking error).

In contrast to other investment funds, exchange traded funds are not actively managed by the investment company issuing the ETF as a general rule. This means that decisions on the purchase of assets are determined by the index, basket, or individual assets. If the prices of the assets underlying an ETF fall, then in principle the price of the ETF will fall.

In addition to the value of the assets underlying an ETF, the price of an ETF may also depend on fees charged for managing the ETF, and this may have an indirect effect on the value of the Securities.

2.2.9 Risks relating to virtual currencies as the underlying

If the underlying or basket constituent is a virtual currency expressed in another currency (for example, US dollar for 1 Bitcoin), the performance of the Security is affected by the performance of the virtual currency.

Virtual currency is a general term under which cryptographic currencies such as Bitcoin are also subsumed. The concept of a virtual currency denotes a certain type of unregulated virtual money that is not issued or backed by a central bank. The rates of exchange between a currency and a virtual currency are generally determined by supply and demand on particular trading platforms on which those virtual currencies are traded. Those rates of exchange may be affected by a variety of factors similar to the factors relating to exchange rates (see section 2.2.4 above). Exchange rate movements may have an effect on the value of the Securities and in relation to the amounts payable.

The price of a virtual currency is dependent on a number of factors outside the control of the Issuer. An important point to note is that the value of a virtual currency is very closely linked to investor confidence in that virtual currency. If investors lose confidence in the virtual currency, the value of that virtual currency will also fall. The market value of a virtual currency is in principle not based on any type of claim nor on a physical asset. Instead, its market value depends mainly

on the expectation that it will be possible to use it for transactions in the future or – as in the case of the virtual currency Bitcoin, for example – continue to use it for transactions as in the past. This close connection between expectation and market value is responsible for the current volatility in the market value of a virtual currency, which is expected to continue in future. Investors in virtual currencies (and therefore indirectly investors in products using virtual currencies as the underlying as well) are exposed to higher risks of fraud and loss (see in particular the risks described under this subsection II.2.10). Investors therefore face an increased risk that the Issuer will determine a hedging disruption event. If the Issuer determines a hedging disruption event, there is a risk that the investor will suffer a total loss since the final fixing could result in a valuation for the underlying of zero (0).

The risks attributable in principle to a direct investment in virtual currencies are described in the following. These risks, by themselves or together with further risks and unpredictable factors of which the Issuer is currently unaware or which the Issuer currently regards as insignificant, could have a material adverse effect on the value of the Securities, since the latter are linked to the underlying and therefore to the virtual currency. The market price of the virtual currency could fall and even become zero (0) in the event of the realisation of any one or all of these risks. In these circumstances, investors could lose part or all of their investment.

Risks in connection with exchange rate fluctuations

The rates of exchange between virtual and national currencies are determined by supply and demand on the relevant trading platforms which are influenced by a variety of factors, such as speculative activity, general economic factors, interventions by central banks and government agencies or other political factors (including restrictions on buying and selling). Exchange rate fluctuations may have an adverse effect on the value of the Securities.

The value of a virtual currency may change rapidly and fall to zero (0)

The value of a virtual currency may change rapidly and fall to zero (0). It should be borne in mind that the value of a virtual currency is highly volatile and can rise or fall very quickly. If the reputation or the degree of acceptance of a virtual currency falls, this could result in the value of that virtual currency suffering a rapid and permanent decline. The market value of a virtual currency does not depend on a claim or a reference value; it depends in principle on the investors' expectation that it will be possible to use the virtual currency in the future for transactions and as a means of payment. The close relationship between the expectations held and the market value is reflected in higher volatility in the market value of a virtual currency. The degree of acceptance of a virtual currency may decline, among other reasons, if the virtual currency is not accepted or no longer accepted as a means of payment.

Small number of transactions

Virtual currencies are only used as a means of payment in a limited number of cases. For example, the average daily number of transactions carried out using the virtual currency Bitcoin in 2015 amounted to 125,000 (2014: 69,200 transactions). For comparison, the total number of cashless payment transactions in 2014 in the United Kingdom, France and Germany alone amounted to around 159 million transactions per day. The equivalent value of the transactions in another currency is difficult to measure since – in comparison with the US dollar, for example – it experienced substantial fluctuations in price. In the month of June 2016, the total value of transactions in the virtual currency Bitcoin amounted to around USD 133 million per day (with a daily average of around 230,000 transactions).

Risks related to increasing costs

There is a risk that the costs associated with transactions in virtual currencies could increase (for example as a result of higher costs for the "mining" of the virtual currency), which could hinder the acceptance of one or more virtual currencies. Fees – comparable with those charged by banks – could also be imposed. This could result in users abandoning particular virtual currencies and turning to alternative virtual currencies or systems. This may have an adverse impact on the reputation and acceptance of the virtual currency concerned and lead to negative effects on the market value of that virtual currency.

Risks relating to competing virtual currencies

Although some virtual currencies, such as Bitcoin, currently have significant status among virtual currencies and in the perception of the public, there is a danger that other virtual currencies may have or acquire competitive advantages, and that the significance of currently successful virtual currencies will decline and that they may even be crowded out of the market. A decline in the significance of virtual currencies is associated with the risk that the value of the virtual currency concerned may fall or even become zero (0).

Political and legal risks

The legal status of virtual currencies may vary between different states. The absence of a uniform regulatory, legal and tax framework makes it difficult to assess the risks arising in this connection. Since virtual currencies frequently represent unregulated assets, there is a risk that future political, regulatory and legal (including tax) changes may have an adverse effect on the market for virtual currencies and companies operating in that market. This could result in the value of the virtual currency concerned being adversely affected.

Tax risks

Virtual currencies and trading in virtual currencies could be subject to taxation, for example VAT or investment income withholding tax. All investors should seek information on whether the use of virtual currencies gives rise to tax obligations in their particular countries. Tax issues should be clarified with the assistance of a tax adviser where necessary.

Risks in connection with trading platforms

Virtual currencies can be purchased directly from an owner or via a trading platform. As a rule, these platforms are not regulated. A number of trading platforms have already had to cease their business operations or have been closed for other reasons – in some cases due to attacks by hackers.

In addition, trading platforms are not banks, managing a virtual currency as a deposit. If a trading platform loses units of a virtual currency or has to cease its business operations, there is generally no specific legal protection (as provided by a deposit protection scheme, for example) covering losses of units of a virtual currency held on the trading platform. This is the case even if the trading platform's activities are officially authorised.

Specific risks may arise for some trading platforms as a result of the particular features of the respective trading platform. For example, the trading platform may have limited transparency with respect both to pricing and to its ownership or corporate structure. Trading platforms with limited transparency may nevertheless record high levels of turnover in the virtual currency. If confidence in the respective trading platform declines as a result of its limited transparency, this may have adverse effects on trading in the virtual currencies concerned and on the turnover in those currencies. This may in turn have an adverse effect on the market price of the respective virtual currency.

Transactions in virtual currency may be used for criminal purposes

Transactions in virtual currency are public, but the owners and recipients of the transactions are not. The transactions are very difficult to trace and provide users of virtual currencies with a high degree of anonymity. The virtual currency's network can therefore be used in transactions for criminal purposes such as money laundering. Abuses of this kind can result in trading platforms being shut down by law enforcement agencies, denying access to credit balances on the platform as a result.

Risks relating to the security of virtual currencies

Virtual currencies can be stolen, which could result in a total loss. Once acquired, virtual currencies are normally stored in a "virtual wallet" on a computer, notebook or smartphone. These virtual wallets are usually protected with a private key or password. Virtual wallets usually have a public key and a private key or a password which are used to gain access. However, virtual wallets are not completely protected from hackers. Money can be stolen from a virtual wallet in the same way as from real wallets. The prospects of getting the money back are slim. This may have an adverse effect on the reputation of the currency or of the market place in question, and so negatively impact the market price of the relevant virtual currency.

Furthermore, there is a risk that investors may lose the key or password for the virtual wallet or that it may no longer be available for other reasons. In such circumstances, virtual credit balances may be lost for good. There are no central agencies which store passwords or issue replacement passwords.

Low level of trading activity

A general point to note is that, as a rule, virtual currencies are only traded infrequently. For example, according to information published in May 2014, only 4 percent of all Bitcoins are traded during a period of one week. During a period of up to three months, a further 24 percent of all Bitcoins are traded. Only after six months are more than half of all Bitcoins traded. Around 38 percent of all Bitcoins are held for a period of over one year. Another noteworthy feature is that persons who produce cryptographic currencies (known as "miners") normally recover the costs they have incurred in doing so by immediately converting the virtual currency into a national currency. This could suggest that only a small proportion of a virtual currency is used for transactions; a large proportion of investors in virtual currencies may hold the virtual currency for long-term purposes, for example for speculative reasons or as savings.

Liquidity and exchange rate risks

There is a risk that there may be insufficient liquidity in the markets to convert virtual currencies into national currencies, for example Bitcoins into US dollars. It cannot be predicted whether a market will be available for virtual currencies or will remain available, whether any such market will be liquid or illiquid and how the virtual currencies on any such market will be traded. If the virtual currencies are not traded on an exchange, it may be difficult to obtain information to determine the price of the virtual currencies, and this may have an adverse effect on the liquidity and market price of the virtual currencies. The consequences of this could include highly volatile exchange rates.

The liquidity of the virtual currencies may also be impacted by buying and selling restrictions in different jurisdictions. The more restricted the market is, the more difficult it may be for investors to determine and/or realise the market value of the virtual currencies. In addition, the volatility of the respective currency of exchange may have a material adverse effect on the exchange rate.

The historical market price of a virtual currency or its exchange rate is not an indicator of its future performance. It is not possible to predict whether the market price of a virtual currency will increase or decrease in relation to another currency.

Risks relating to the payment process

A payment in virtual currency is generally not a real-time payment, since up to ten minutes are required to verify the payment. Moreover, it is recommended to wait for six confirmation procedures, which take place every ten minutes, in order to increase the certainty that the payment has actually been added to the chain of verified transactions (known as the "blockchain"). In this case, the verification of a payment may take up to one hour. This cost in terms of time may make payment in a virtual currency seem less attractive than a card payment which can be carried out in real time. If the payment process is less attractive, this may have an adverse effect on the attractiveness of the virtual currency.

Risks relating to the virtual currency's code or protocol

There is a risk that the source code or protocol on which a virtual currency is based may contain errors. Any such error could threaten the integrity and security of the relevant virtual currency and the corresponding network. For example, the source code of Bitcoin is public and can be downloaded and inspected by anyone. Nevertheless, there could be an error in the source code that has not yet been found and rectified, or such an error could be exploited for as long as it has not been removed. There is the additional risk of an error that cannot be rectified. These risks could materially weaken the reputation of a virtual currency, which could have an adverse effect on its market price.

Risks relating to the future development of a virtual currency

Various virtual currencies, such as Bitcoin, were created in the form of open source software, i.e. as a programme that is freely available to everyone. The source code or protocol on which the virtual currencies are based is publicly accessible and constantly being developed. The further development and acceptance of the protocol depends on a range of factors. The development of virtual currencies could be hindered or delayed if disagreements were to arise between the participants, developers and members of the network.

New and improved versions of the source code must be confirmed by a majority of the members of the network in order to update the source code version. In the event that a majority of the network cannot be reached for the purpose of updating the source code, this could mean that urgent updates or improvements in the source code are implemented only partially or not at all. If the development of the source code is hindered or delayed, this may have an adverse effect on the value of the virtual currency. Furthermore, there is a risk that one or more members of the network could control a majority of the network. In this case, the majority could impose changes in the source code that have an adverse effect on the market value of the virtual currency concerned. For example, such changes could affect the verification procedure, the generation of private keys (which are necessary for the purpose of executing transactions) or the subsequent deletion of transactions. Such "51% attacks" could result in a general loss of confidence in the virtual currency and the possible total cessation of trading. It may be difficult to keep track of these scenarios in some cases and they could permanently upset the equal status of the participants in the network. This would cause a loss of reputation and material adverse effects on the market value of the virtual currency concerned. But even if such adverse scenarios are not realised, control of the majority of a network could have the same adverse effects for the market value of the virtual currency.

There is a risk that source codes or protocols could be developed further and for various reasons this could result in the virtual currency splitting into more than one protocol (known as a "hard fork"); for example, a hard fork could occur in the Bitcoin protocol, resulting in the Bitcoin protocol splitting into a Bitcoin Core protocol and a Bitcoin Unlimited protocol. In this context, it could be that trading platforms on which virtual currencies are traded will temporarily suspend the ability to deposit or withdraw, or buy and sell, the relevant virtual currency on that trading platform, until the risks and consequences that may result from the hard fork (such as replay attacks or network instability) have been definitively assessed. This could take several days in some circumstances. During any such temporary suspension, there is a risk that the Market Maker will not quote any bid and offer prices for the Securities. The Issuer may also make an adjustment to the Security in order to take appropriate account of the effects of the hard fork.

There is a further risk that in the case of a publicly accessible protocol, developers will not have the incentive of being remunerated for the further development of the source code. This could mean that the ongoing qualitative further development of the source code is hindered or delayed. If the source code is not developed further, however, this could have an adverse effect on the value of the virtual currency concerned.

2.2.10 Risks in connection with the regulation and reform of benchmarks

The London Inter-Bank Offered Rate (LIBOR), the Euro Interbank Offered Rate (EURIBOR) and other interest rate, equity, commodity, foreign exchange rate and other types of reference rates and indices which are used as underlying for financial instruments, such as in connection with the Securities, are deemed to be "benchmarks" and are the subject to recent national, European, international and other regulatory guidance, regulations and proposals for reform.

These reforms may cause such benchmarks to perform differently than in the past, that the operation and/or provision of a benchmark by a benchmark administrator is discontinued or continued under altered arrangements or have other consequences which cannot be predicted at the moment. Additionally, an increasing regulation of benchmarks could

increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer certain benchmarks or to participate in the determination of certain benchmarks, trigger changes in the rules or methodologies used in certain benchmarks or result in the omission of certain benchmarks.

Important international proposals and regulations for reform of benchmarks include IOSCO's Principles for Financial Market Benchmarks (July 2013) and, in particular, the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the "**Benchmark Regulation**") which fully entered into force as of 1 January 2018. On the basis of this regulation, recognition or regulation of the benchmark administrator and a modification of a benchmark in order to comply with legal requirements by the benchmark administrator may be required.

The Benchmark Regulation could have a material impact on Securities linked to a benchmark rate or index. For example:

- a rate or index which is a benchmark could be prohibited from being used in the European Union if (subject to applicable transitional provisions) its administrator is (i) based in the European Union and does not obtain authorisation or registration, or (ii) based in a non-EU jurisdiction which does not satisfy the "equivalence" conditions and is not "recognised" pending an equivalence decision. In such event, depending on the particular benchmark and the applicable terms of the Securities, the Securities could be de-listed, adjusted, redeemed prior to maturity or otherwise impacted; and
- the methodology or other terms of the benchmark could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could reduce or increase the rate or level or affect the volatility of the published rate or level, and could lead to adjustments to the terms of the Securities, including the Calculation Agent determination of the rate or level in its discretion.

Accordingly, the provision and the utilization of such a benchmark which is not compliant with legal requirements may (i) be prohibited in connection with new financial instruments and (ii), in case of existing financial instruments, only occur for a limited transitional period or based on an exemption granted by the competent supervisory authority. In this regard, there is a risk that a benchmark may be changed in substance, may not be continued or may not be used in connection with the Securities, in particular if the admission, recognition or registration of the benchmark does not take place or ceases to exist at a later point in time. In such cases, it should be noted that it is in the discretion of the Issuer to (i) make adjustments to the terms and conditions, (ii) delist and/or early redeem the Securities, or (iii) undertake other consequences for such Securities (as applicable). Any such consequence could have a material adverse effect on the value of and yield on any Security linked to such a benchmark.

2.3 Material risks applying to specific Securities

As a result of the fact that the Securities described below are linked to the performance of an underlying, all investors in one of those Securities are exposed to the risk that the capital invested may not be repaid in full, or at least not in every case.

If the Cash Amount is in fact positive but still less than the purchase price paid by the Security Holder, the Security Holder will suffer a loss. **The loss of capital may be substantial with the result that a total loss may be incurred.** Even if no loss of capital is incurred, there exists the risk that the return on a capital market investment with a similar maturity and a market rate of interest may not be achieved. Furthermore, the investor does not generally participate in regular distributions (e.g. dividends in the case of shares as the underlying or comparable distributions by an underlying or its constituents).

2.3.1 Risks relating to the level of the Cash Amount at the end of the term

(Protect (Pro)) (Multi) (Express) Discount Certificates

(Protect (Pro)) (Multi) (Express) Discount Certificates are issued at a discount, i.e. at a price which is below the current price of the underlying at the time of issue. For these Securities, the potential Cash Amount or the monetary value of the assets to be delivered is always limited by a maximum amount (taking into account the ratio), i.e. a specified upper price limit. As a result of this structure, the Security Holder cannot participate in increases in value of the underlying beyond the maximum amount. The maximum possible gain is therefore restricted from the start.

With (Protect) (Multi) (Express) Discount Certificates, the investor will suffer a loss if the underlying (taking into account the ratio) is quoted below the purchase price of the Securities at the end of their term and – an additional requirement in the case of Protect (Multi) Discount Certificates – a barrier event has occurred during the observation period.

With **Protect** (Multi) (Express) Discount Certificates – in contrast to (Multi) Discount Certificates – the investor receives the maximum amount (taking into account the ratio) irrespective of the reference price of the underlying on the valuation date, if the observation price of the underlying has not fallen below or – if so provided in the Final Terms – has not reached the barrier during the observation period or – in the case of **Protect Pro** Securities –, if the reference price of the underlying exceeds or, where applicable, reaches the barrier on the valuation date. In this case as well, the investor is unable to participate in increases in value of the underlying beyond the maximum amount. If the price of the

underlying falls below or – if so provided – reaches the barrier during the observation period, the Protect mechanism no longer applies and the Security performs in the same way as a (Multi) Discount Certificate.

(Protect (Pro)) (Multi) Discount Certificates described as "**Express**" also feature a "redemption level". If the underlying exceeds or – if so provided in the Final Terms – reaches the redemption level in accordance with the detailed provisions of the Final Terms, early redemption of the Securities takes place automatically. If the Final Terms provide for the possibility of early redemption, this may have a negative impact on the market value of the Securities. This applies in particular to the period prior to and during the event triggering the early redemption of the Securities. Investors should be aware that in the event of the early redemption of the Securities, they may not be able to make a follow-on investment except on less favourable terms.

(Multi) Bonus (Cap) (Pro) Certificates (with Airbag)

The holder of a (Multi) Bonus (Cap) Certificate (with Airbag) will receive payment of at least a defined amount equal to the bonus level (taking into account the ratio), if the observation price of the underlying does not fall below or – if so provided in the Final Terms – reach the barrier during the observation period or – in the case of **Pro** Securities –, if the reference price of the underlying does not exceed or, where applicable, reach the barrier on the valuation date.

In the event that the observation price of the underlying falls below or – if so provided – reaches the barrier, the claim to the bonus level is lost, but the Certificate continues until the end of its term as a 1:1 tracker certificate and the investor ultimately receives payment of the reference price of the underlying on the valuation date (taking into account the ratio) or delivery of a number of assets corresponding to the ratio.

The Security Holder is therefore exposed to a risk of loss comparable to a direct investment in the underlying (without taking dividend payments into account). If – taking into account the ratio – the purchase price of the Security was higher than the price of the underlying at the time the investment in the Security was made (i.e. a premium was paid represented by the price of the Security minus the price of the underlying), the risk of loss is in fact higher than it would have been in the case of a direct investment. In any event, Security Holders are exposed to a risk of the total loss of their capital invested in the event that the underlying falls below or – if so provided – reaches the barrier. A total loss will occur if the underlying is worthless at the end of the term.

The particular feature of the (Multi) Bonus **Cap** Certificates is that the Cash Amount or the monetary value of the assets to be delivered is limited to the maximum amount (taking into account the ratio), i.e. the Security Holder is unable to participate in increases in value of the underlying beyond the maximum amount. The maximum possible gain is therefore restricted from the start.

Reverse Bonus (Cap) (Pro) Certificates

In the case of Reverse Bonus Certificates, the performance of the Security is based on the reverse of the performance of the underlying. In contrast to conventional tracker securities which represent a long position (a hypothetical "purchase" of the underlying), Reverse Bonus Certificates represent a short position (a hypothetical "short sale" of the underlying). The effect of this is that these Securities enable the investor to participate positively in a fall in value of the underlying.

Investors should note that the potential return is limited due to the reverse structure even without taking a cap into consideration, since the negative performance of the underlying cannot exceed 100%, i.e. in the case of Reverse Bonus Certificates with a ratio, the Cash Amount is at most equal to the reverse level (taking into account the ratio and, where relevant, converted into the settlement currency).

Accordingly, for Reverse Bonus Certificates the following fundamental relationship exists between the economic value of the Securities and the economic value of the underlying: **As a general rule (i.e. without taking into account any other particular features or other factors that are relevant for the pricing of Securities), a Reverse Bonus Security will fall in value if the value of the underlying rises. The investor may therefore suffer a total loss of the capital invested, if the price of the underlying rises accordingly and reaches or exceeds the reverse level.**

For Reverse Bonus Cap Certificates, the potential Cash Amount is limited by the cap. This means that the Security Holder does not participate in negative performance of the underlying going beyond the cap, which restricts the potential upside return for Reverse Bonus Cap Certificates even more than would be the case anyway – as just described – due to the reverse structure.

Investors should note that if the price of the underlying exceeds or – if so provided – reaches the barrier, the claim to the bonus payment is extinguished and the investor participates 1:1 in the inverse performance of the underlying. In this event, the investor faces the risk of a total loss of the capital invested. A total loss will occur if the underlying is equal to or higher than the reverse level at the end of its term.

(Best Entry) (Memory) (Protect (Pro)) (Multi) Express Certificates/Notes

(Best Entry) (Memory) (Protect (Pro)) (Multi) Express Certificates may be redeemed early on any valuation date if specified redemption levels are exceeded or – if so provided in the Final Terms – reached. Otherwise, the Securities continue their term unchanged until the next valuation date. The investor faces the possibility that if the respective

redemption level is not exceeded or, where applicable, reached, redemption will take place only after a subsequent valuation date or the final valuation date.

The investor cannot participate in increases in value of the underlying going beyond the redemption level. If early redemption does not take place during the term as a result of the underlying exceeding or, where applicable, reaching the redemption level, the investor may also suffer a loss if the reference price of the underlying is below or, where applicable, equal to the strike on the final valuation date (and, additionally in the case of (Protect (Pro)) (Multi) Express Certificates/Notes, a barrier event has occurred during the observation period).

Investors should bear in mind that if the Securities are redeemed early, the expected return from an investment in the Securities may not be achieved. If the requirements for the conditional bonus payments are not met, an investment in a(n) (Memory) (Multi) (Protect (Pro)) Express Certificate/Bond may produce no return at all for the investor.

Investors should also be aware that in the event of the early redemption of the Securities, they may only be able to reinvest on less favourable terms.

(Best Entry) (Protect (Pro)) (Multi) Fix Coupon Express Certificates/Notes

(Best Entry) (Protect (Pro)) (Multi) Fix Coupon Express Certificates/Notes may be redeemed early on any valuation date if specified redemption levels are exceeded or – if so provided in the Final Terms – reached. Otherwise, the Securities continue their term unchanged until the next valuation date. The investor faces the possibility that if the respective redemption level is not exceeded or, where applicable, reached, redemption will take place only after a subsequent valuation date or the final valuation date.

The investor cannot participate in increases in value of the underlying going beyond the redemption level. If early redemption does not take place during the term as a result of the underlying exceeding or, where applicable, reaching the redemption level, the investor may also suffer a loss if the reference price of the underlying is below or, where applicable, equal to the strike on the final valuation date (and, additionally in the case of (Protect (Pro)) (Multi) Fix Coupon Express Certificates/Notes, a barrier event has occurred during the observation period).

Investors should bear in mind that if the Securities are redeemed early, the expected return from an investment in the Securities may not be achieved.

Investors should also be aware that in the event of the early redemption of the Securities, they may only be able to reinvest on less favourable terms.

(Chance) (Lock-in) (Floored) (Floater) (Barrier) (Multi) Reverse Convertibles

(Chance) (Lock-in) (Floored) (Floater) (Barrier) (Multi) Reverse Convertibles are risky investment instruments. If the reference price of the underlying on the valuation date is below the strike and – in the case of Reverse Convertibles described as "**Barrier**" – a barrier event has also occurred during the observation period or – in the case of a barrier that only applies at the end of the term – on the valuation date – and – in the case of Reverse Convertibles described as "**Lock-in**" – the reference price of the underlying is also not above or – if so provided in the Final Terms – equal to the lock-in level on any lock-in observation date, the cash amount or the monetary value of the assets delivered plus interest may be lower than the purchase price of the Security. In this event the investor will suffer a loss.

Reverse Convertibles do not generate any current income (such as dividends) – apart from interest – which could be used to offset losses in value of the Reverse Convertibles in full or in part. If Reverse Convertibles are purchased during their term, accrued interest may be payable in addition to the purchase price.

Reverse Convertibles described as "**Floater**" pay a variable rate of interest instead of a fixed rate. Any interest payments are made in accordance with the Final Terms either periodically during the term or on a single occasion at the end of the term of the respective Security, depending on the performance of a reference rate of interest or of other reference indicators specified in the Final Terms. This represents an additional price risk for the investor, since the return on an investment in the Securities depends not just on the performance of the underlying, but on this additional reference indicator as well. If the price of that reference indicator performs unfavourably, the variable interest rate may therefore even fall as far as zero (0), i.e. no interest will be paid.

2.3.2 Risks relating to the cash settlement redemption style

The purchase of Securities with a cash settlement redemption style grants the investor the right, in accordance with the Final Terms, to the payment of a Cash Amount, calculated in each case on the basis of the performance of the underlying instrument to which the Security is linked (taking into account the relevant ratio). There is no delivery of assets. The Cash Amount for each Security is calculated in principle using the reference price of the underlying on the valuation date (taking into account the ratio and, where applicable, converted into the settlement currency of the Securities). Redemption of the Securities at the respective purchase price or at an amount that typically reflects the individual security types is not guaranteed.

2.3.3 Risks relating to the (physical delivery) redemption style

In the case of securities with a "(physical) delivery" redemption style, the Securities are redeemed either by payment of a Cash Amount or by delivery of assets (shares, securities representing shares (ADRs/GDRs) or other dividend-bearing securities, bonds, investment units, index certificates or ETPs).

If assets are delivered, the Issuer will deliver a number of assets (deliverable assets) for each Security that corresponds to the ratio.

Potential investors should also note that any fluctuations and/or reductions in the price of the respective asset between the valuation date and the date on which the assets are booked to the investor's securities account, are for the account of the investor. The actual effect on the investor's financial position therefore only becomes clear at the date when the assets are delivered. The assets delivered can also only be sold at the earliest when they have been booked to the investor's securities account. Investors do not enjoy any rights arising from the assets until they have been transferred to their securities accounts, e.g. the investor has no right to dividends distributed in the meantime. Investors should bear in mind that if the assets delivered are sold, transaction costs may be incurred which must be taken into account for each Security when determining whether a loss may have been incurred.

If the assets to be delivered consist of shares registered in the name of the owner (registered shares), rights arising from the shares (e.g. participation in the annual general meeting and exercise of voting rights) may generally only be taken up by shareholders entered in the share register or a comparable official register of shareholders of the company. An obligation on the part of the Issuer to deliver shares is limited, in the case of registered shares, to the provision of the shares in a form and with features that are deliverable for stock exchange purposes, and does not include entry in the share register. Investors may be charged costs and fees incurred by their custodian banks for arranging entry in the share register.

2.3.4 Risks relating to Securities with multiple underlyings (Multi)

Risk arising from the relevance of the worst performing underlying

Securities described as "Multi" are linked to more than one underlying. This entails an increased risk as the Cash Amount at maturity and the price of the Security during its term will be determined by several underlyings, and not just by one underlying. For Securities with a barrier the likelihood of a barrier event will also increase, since the latter will occur if the observation price or reference price of even one of the underlyings falls below or – if so provided in the Final Terms – reaches the respective barrier. In addition, there is a higher risk of significant fluctuations in the price of the Securities during their term, if the price of even one of the underlyings approaches the respective barrier.

Investors should also note that if there are multiple underlyings, the underlying that has performed worst during the term of the Securities is normally relevant for the determination of the Cash Amount or of the assets to be delivered, i.e. the risk of incurring a loss is significantly higher in the case of Multi structures than for Securities with only a single underlying.

Correlation risk

Since the redemption of the Securities is based on the performance of several underlyings, another factor affecting the value and the redemption of the Security is the correlation between the underlyings, i.e. – expressed simply – the degree to which the performance of the individual underlyings depends on the performance of the other underlyings. The extent of this correlation is also important for assessing the risk that at least one underlying will reach a threshold that is material for the determination of the redemption payment.

For example, if all the underlyings originate from the same sector and country, a high positive correlation can be assumed. The correlation takes a value between '-1' and '+1', whereby a correlation of '+1', i.e. a high positive correlation, signifies that changes in the value of the underlyings always move in the same direction. With a correlation of '-1', i.e. a high negative correlation, the underlyings always move in exactly the opposite direction. A correlation of '0' indicates that it is not possible to make any statement about the connection between changes in the value of the underlyings.

For Securities described as "Multi", a low correlation between the individual underlyings generates additional risk for the investor, since the underlyings cannot be expected to perform in a consistent manner.

2.3.5 Risks relating to Securities with collateralisation (Collateral Secured Instruments – COSI)

Securities with collateralisation are collateralised by means of an agreement between SIX Swiss Exchange AG, SIX SIS AG, Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland, as collateral provider (the "**Collateral Provider**") and Vontobel Financial Products GmbH as Issuer (the "**Framework Agreement**"). The Framework Agreement represents a genuine contract for the benefit of third parties pursuant to article 112 (2) of the Swiss Code of Obligations (*Schweizerisches Obligationenrecht*). The Collateral Provider enters into a commitment to collateralise the respective value of the Securities and of the other claims cited in the Framework Agreement. The collateralisation is effected for the benefit of SIX Swiss Exchange by means of a regular right of lien. The collateral is booked to an account of SIX Swiss Exchange with SIX SIS. The investors have no separate security interest of their own in the collateral.

If Bank Vontobel AG as the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations.

If a liquidation event occurs, the Securities become due thirty (30) banking days later. Investors' claims vis-à-vis SIX Swiss Exchange for payment of the pro rata net liquidation proceeds arise automatically only when the Securities become due.

Collateralisation eliminates the Issuer default risk only to the extent that the proceeds from the liquidation of collateral upon the occurrence of a liquidation event (less the costs of liquidation and payout) are able to cover the investors' claims.

The investor bears the following risks in particular:

- The Collateral Provider may be unable to deliver the additional collateral required in the event that the value of the Securities rises or the value of the collateral falls.
- SIX Swiss Exchange may be unable to liquidate the collateral immediately in a liquidation event, because it is prevented from doing so by practical hindrances or the collateral has to be handed over to the executory authorities for liquidation.
- The market risk associated with the collateral may result in insufficient liquidation proceeds or, in extraordinary circumstances, the collateral may lose its value entirely by the date of actual liquidation.
- Maturity in accordance with the Framework Agreement of Securities in a foreign currency may generate losses for the investor, because the current value (which is relevant for the investor's claim against the Issuer) is determined in the foreign currency, while the payment of the pro rata net liquidation proceeds (relevant for the extent to which the investor's claim against the Issuer is extinguished) is made in Swiss francs.
- The collateralisation may be challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated for the benefit of the Security Holders in accordance with the provisions of the Framework Agreement.

The cost of the services provided by SIX Swiss Exchange for the collateralisation of Securities may be factored into the pricing of a Security and will therefore be borne by the investor in any event.

The pro rata net liquidation proceeds will be paid to the investors in a liquidation event by Swiss Exchange AG and by financial intermediaries along a payment chain.

The investors bear the risk that any liquidation proceeds may be passed on only partially or not at all as a result of the insolvency of SIX Swiss Exchange AG and/or of the financial intermediaries. The possible insolvency of SIX Swiss Exchange AG and/or of the financial intermediaries therefore constitutes a credit risk to which the investors are exposed in the case of a liquidation event. The payout to the investors may be delayed for practical or legal reasons.

If the calculation of the current value of a Security proves to be erroneous, the collateral provided for the product may be insufficient.

2.4 Risks relating to the Issuer

2.4.1 Risks relating to business activities

The Issuer is an issuance vehicle, i.e. a company whose main purpose is to issue securities.

There is a general risk that the Issuer will be unable to fulfil all or some of its obligations arising from the Securities. The investor therefore bears the risk of the insolvency of the Issuer. For this reason, investors should take into consideration the creditworthiness of the Issuer when making their investment decisions. Credit risk is the risk of the Issuer becoming insolvent or illiquid, i.e. experiencing a potential temporary or permanent inability to meet its payment obligations on time. Issuers with poor creditworthiness typically have a higher insolvency risk. Currently, the Issuer does not have a credit rating. Therefore, it is not possible for investors to compare the solvency of the Issuer with that of companies which have a rating. The Issuer's liable share capital amounts to EUR 50,000. **The investor is exposed to a higher credit risk than in the case of an issuer with a higher level of capital resources.**

The Securities constitute direct and unsecured obligations of the Issuer that rank *pari passu* in relation to one another and in relation to all other unsecured and unsubordinated obligations of the Issuer, with the exception of obligations that have priority due to mandatory statutory requirements. **In the event of the insolvency of the Issuer, an investment in one of the Issuer's Securities may result in a total loss for the investor.**

The Issuer is not a member of a deposit protection fund or similar protection system, which would cover the Security Holders' claims in full or in part if the Issuer became insolvent. Moreover, as bearer bonds (*Inhaberschuldverschreibungen*), the Securities do not fall within the scope of the Deposit Protection and Investor Compensation Act (*Einlagensicherungs- und Anlegerentschädigungsgesetz*) nor of the deposit protection scheme of the Association of German Banks. **In the event of the insolvency of the Issuer, therefore, investors will have no claims under the investor protection arrangements referred to.**

All of the risks mentioned above could have a negative impact on the Issuer's business activities and adversely affect its financial condition and results of operations.

2.4.2 Risks relating to market developments

The Issuer's activities and its annual issuance volume are also influenced by developments in the markets where it conducts its business. Among other things, this relates to general economic and/or company-specific developments during the term of the Securities, in particular in Germany and the rest of Europe, as well as changes in the general environment on the financial markets. Such changes could be the result of macroeconomic, regulatory or tax developments, for example.

The market performance of securities in general depends in particular on the development of the capital markets, which are in turn influenced by the general situation of the global economy and the economic and political environment in individual countries (known as market risk).

A difficult general economic situation could result in a lower issuance volume and have a negative impact on the Issuer's financial condition and results of operations as well as its liquidity, among other things.

2.4.3 Risks relating to hedging transactions

All of the shares in the Issuer are held by Vontobel Holding AG, Zurich, the parent company of the Vontobel Group (the "**Vontobel Group**"). For the purpose of hedging its obligations arising from the Securities, the Issuer enters into OTC hedging transactions, i.e. hedging transactions negotiated individually between two parties, with other companies within the Vontobel Group, especially Bank Vontobel AG, Zurich, and Vontobel Financial Products Ltd., Dubai, United Arab Emirates.

In this context, there is a risk in particular of the insolvency of the party with which the Issuer concludes the relevant hedging transaction. Since the Issuer currently enters into such hedging transactions only with companies of the Vontobel Group, the Issuer is exposed to cluster risk arising from the narrow range of counterparties in comparison with a more widely diversified selection of contractual partners. Illiquidity or insolvency on the part of a company within the Vontobel Group could therefore result directly in the illiquidity of the Issuer. The holders of the Issuer's Securities are not entitled to any claims with respect to hedging transactions of this nature entered into.

2.4.4 Risks in connection with the guarantees

The due payment of all amounts payable in accordance with the Terms and Conditions of the Securities issued under the respective Base Prospectus by the Issuer is guaranteed by either Bank Vontobel Europe AG (the "**German Guarantor**") or by Vontobel Holding AG (the "**Swiss Guarantor**", each a "**Guarantor**").

The obligations arising from the Securities constitute direct and unsecured obligations of the Issuer that rank *pari passu* in relation to one another. Upon discharge of any obligations of the Issuer or the relevant Guarantor subsisting under the Securities or under the relevant guarantee in favour of a Security Holder, the relevant guaranteed right of such holder under the Securities or the guarantee, respectively, shall cease to exist. There is a general risk that the relevant Guarantor will be unable to fulfil all or some of the obligations arising under the guarantee undertaking. For this reason, investors should take into consideration not only the creditworthiness of the Issuer, but also the creditworthiness of the relevant Guarantor when making their investment decisions. **In the event of an insolvency of the Issuer and the relevant Guarantor, an investment in the Securities may result in a total loss for the Security Holder.**

2.5 Risks relating to the German Guarantor

In connection with certain securities which have been issued by the Issuer, the due payment by the Issuer of all amounts payable in accordance with the respective terms and conditions of the securities issued under the respective base prospectus is guaranteed by Bank Vontobel Europe AG. The information, whether Bank Vontobel Europe AG is the (German) Guarantor, is defined in the respective base prospectus.

2.5.1 Risks in connection with business activities

Bank Vontobel Europe AG is a subsidiary of Vontobel Holding AG, the parent company of the Vontobel Group. The German Guarantor competes with private and major banks from Germany and abroad. Its business is in particular influenced by the prevailing market conditions.

There is a general risk that the German Guarantor will be unable to fulfil all or some of its obligations arising from the guarantee. The Security Holders are exposed to the risk of the insolvency and therefore the illiquidity of the German Guarantor. For this reason, investors should take into consideration the creditworthiness of the German Guarantor when making their investment decisions. Credit risk is the risk of the German Guarantor becoming insolvent or illiquid, i.e., experiencing a potential, temporary or permanent inability to satisfy its (payment) obligations under the guarantee. Guarantors with poor creditworthiness typically have a higher insolvency risk. Currently, the German Guarantor does not have a rating. Therefore, it is not possible for investors to compare the solvency of the German Guarantor with that of companies which have ratings.

Investors should note that the creditworthiness of the German Guarantor may be affected by economic and/or German Guarantor specific developments during the term of the Securities, in particular in Germany and the rest of Europe, as

well as due to altered conditions on the financial markets. These developments may be caused, among other things, by cyclical changes which may sustainably affect the German Guarantor's profitability and solvency. The activities of the German Guarantor are also affected by the developments in the markets in which the German Guarantor operates. A difficult macroeconomic situation may adversely affect the German Guarantor's results of operations. Risks to Bank Vontobel Europe AG's business may be posed by general market risks, which may arise as a result of declining market prices, such as interest rates, exchange rates, share prices, commodity prices and the associated volatilities, and have a negative impact on the valuation of the underlyings and/or derivative financial products. Also, operational risks may arise as part of the Vontobel Group's operating activities and lead to losses due to inadequate or non-existent processes or systems, employee misconduct, or external events. Furthermore, a difficult overall market situation may have negative effects on the business of the German Guarantor as well as its net assets, financial position and results of operations of the German Guarantor. **In the event of an insolvency of the German Guarantor, an investment in the Securities may result in a total loss for the Security Holder.**

2.5.2 Risks in connection with compliance, legal, regulatory, and reputational implications

The German Guarantor operates in an industry that is highly regulated and may be adversely affected by compliance, legal or regulatory risks and reputational implications from the legal and regulatory environment. Compliance risk and legal risk are the risks arising from violations of, or non-conformance with, laws, rules, regulations, prescribed practices or internal policies and procedures. Legislation and rules adopted around the world have imposed substantial new or more stringent regulations, internal practices, capital requirements, procedures and controls and disclosure requirements in different areas.

The trend and scope of increased compliance requirements may require the German Guarantor to invest in additional resources to ensure compliance. The German Guarantor is exposed to the risk of fines, civil financial penalties, payment of damages and the voiding of contracts. Compliance risk can lead to diminished reputation, limited business opportunities, reduced expansion potential and an inability to enforce contracts.

Furthermore, the German Guarantor is exposed to the risk that changes in law or interpretations thereof, including regulatory and tax laws, may have a material negative impact on its results. Regulatory or similar changes in any jurisdiction in which the German Guarantor operates may adversely affect its business, results of operations and financial condition.

Reputational risk is the potential loss in reputation due to a financial loss or due to any other real or perceived event with a negative impact on reputation. This includes, in particular, the risk arising from deviations from good ethical behaviour. The German Guarantor's reputation is highly important regarding the relationship with clients, investors, regulators and the general public, and is a main point with regard to their risk management efforts.

Any of the risks described above could have a material adverse effect on the German Guarantor's business, net assets, financial condition, cash flow and results of operations.

2.5.3 Risks in connection with exposure to significant and increasing competition

All aspects of the German Guarantor's business are highly competitive and the competitive conditions are expected to continue to intensify. The German Guarantor's ability to compete depends on many factors, including its reputation, the quality of its services and advice, intellectual capital, product innovation, execution ability, pricing, sales efforts, and the talent of its employees. The significant and increasing competition may adversely affect the German Guarantor's future results of operations.

2.5.4 Risks in connection with the guarantee

The obligations arising from the guarantee constitute direct and unsecured obligations of the Guarantor that rank *pari passu* in relation to one another. Upon discharge of any obligations of the Issuer or the Guarantor subsisting under the Securities or under the guarantee in favour of a holder of Securities, the relevant guaranteed right of such holder under the Securities or the guarantee, respectively, shall cease to exist. There is a general risk that the German Guarantor will be unable to fulfil all or some of the obligations arising under the guarantee undertaking. For this reason, investors should take into consideration not only the creditworthiness of the Issuer, but also the creditworthiness of the German Guarantor when making their investment decisions. **In the event of an insolvency of the Issuer and the Guarantor, an investment in the Securities may result in a total loss of the investment amount.**

2.5.5 Risks in connection with the implementation of a resolution regime for banks

The European Parliament and the Council of the European Union published a directive for establishing a framework for the recovery and resolution of credit institutions and investment firms on 15 May 2014 (the so-called Bank Recovery and Resolution Directive ("**BRRD**")). The BRRD was implemented in Germany through the Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz* – "**SAG**").

The stated aim of the BRRD is to provide supervisory authorities, including the relevant German resolution authority, with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' contributions to bank bail-outs and/or exposure to losses. In particular, the SAG was implemented to give the German Federal Agency for Financial Market Stabilisation (*Bundesanstalt für Finanzmarktstabilisierung*–

"FMSA") as competent German resolution authority the authority to write down the claims of unsecured creditors of a failing institution and to convert debt claims into equity (so-called bail-in tool), transfer assets, rights and liabilities to a bridge bank or an asset management vehicle, sell the credit institution or its business to a third party or change the maturity or the interest rate of the instruments if certain requirements are met ("**Resolution Tools**").

However, before any Resolution Tool is being used at the point of non-viability of the issuing credit institution, the resolution authority is required to write down Common Equity Tier 1 capital instruments in full and, in a second step, to write down in full Additional Tier 1 and Tier 2 capital instruments or to convert them into Common Equity Tier 1 instruments. Thus, the Resolution Tools will only be applied after a write down and/or conversion of relevant capital instruments has taken place. Under the bail-in tool the competent resolution authority shall have the power, upon certain trigger events, to cancel existing shares, to write down liabilities eligible for bail-in (i.e. subordinated debt and even non-subordinated debt, subject to exceptions in respect of certain liabilities) of a failing credit institution or to convert such eligible liabilities of a failing credit institution into equity at certain rates of conversion representing appropriate compensation to the affected creditor for the loss incurred as a result of the write-down and conversion in order to strengthen the credit institution's financial position and allow it to continue as a going concern subject to appropriate restructuring.

Claims of a Security Holders in respect of the German Guarantor's guarantee might be subject to the Resolution Tools of the FMSA. In this case, such claims may be subject to a partial or total write-down or conversion into equity which may result in a partial or total loss of the entitlement of the respective Security Holder.

2.6 Risks relating to the Swiss Guarantor

In connection with certain securities which have been issued by the Issuer, the due payment by the Issuer of all amounts payable in accordance with the respective terms and conditions of the securities issued under the respective base prospectus is guaranteed by Vontobel Holding AG. The information, whether Vontobel Holding AG is the (Swiss) Guarantor, is defined in the respective base prospectus.

2.6.1 Risks in connection with business activities

Vontobel Holding AG is the parent company of the Vontobel Group. The Swiss Guarantor's business is influenced by the prevailing market conditions and the impact they have on the operating companies of the Vontobel Group.

There is a general risk that the Swiss Guarantor will be unable to fulfil all or some of its obligations arising from the Securities. For this reason, investors should take into consideration the creditworthiness of the Swiss Guarantor when making their investment decisions. Credit risk is the risk of the Swiss Guarantor becoming insolvent or illiquid, i.e., experiencing a potential, temporary or permanent inability to satisfy its obligations to make interest payments or principal repayments on time. Guarantors with poor creditworthiness typically have a higher insolvency risk. Currently, the Swiss Guarantor has a rating of a rating agency, therefore, it is possible for investors to compare the solvency of the Swiss Guarantor with other companies which have ratings.

Investors should note that the creditworthiness of the Swiss Guarantor may be affected by economic and/or Guarantor specific developments during the term of the securities, in particular in Switzerland, Germany and the rest of Europe, as well as due to altered conditions on the financial markets. These developments may be caused, among other things, by cyclical, regulatory, or tax changes which may sustainably affect the Swiss Guarantor's profitability and solvency. The activities of the Swiss Guarantor and its annual issuance volume are also affected by the developments in the markets in which the Swiss Guarantor operates. A difficult macroeconomic situation may result in a lower issuance volume and may adversely affect the Swiss Guarantor's results of operations. Risks to Vontobel Holding AG's business may be posed by general market risks, which may arise as a result of declining market prices, such as interest rates, exchange rates, share prices, commodity prices and the associated volatilities, and have a negative impact on the valuation of the underlyings and/or derivative financial products. Vontobel Holding AG's financial condition may also be impacted by liquidity bottlenecks that may be caused e.g. by cash outflows when loan commitments are drawn down or it is impossible to prolong deposits, so that Vontobel Holding AG would be temporarily unable to meet short-term financing requirements. In addition, Vontobel Holding AG is exposed to credit risk, since default risk is associated with the direct lending business and may also arise in connection with transactions involving credit risk, such as OTC derivatives transactions (transactions arranged individually between two parties), money market transactions, or securities lending and borrowing. The Vontobel Group does not engage in any commercial lending business. Finally, operational risks may arise as part of the Vontobel Group's operating activities and lead to losses due to inadequate or non-existent processes or systems, employee misconduct, or external events. Furthermore, a difficult overall market situation may have negative effects on the business of the Swiss Guarantor as well as on its net assets, financial position and results of operations. **In the event of an insolvency of the Swiss Guarantor, an investment in the Securities may result in a total loss of the investment amount.**

2.6.2 Risks in connection with the rating

Currently, the Guarantor has a Rating of a rating agency. A Rating awarded by a rating agency may at any time be suspended, downgraded or withdrawn. Any such suspension, downgrade or withdrawal of the rating awarded to the Guarantor may have a sustained adverse effect on the market price of the Securities.

A rating does not constitute a recommendation to buy, sell or hold the Securities and does not guarantee that no losses will occur.

2.6.3 Risks in connection with the guarantee

The Swiss Guarantor is the parent (holding company) of the Vontobel Group. The Swiss Guarantor's business is influenced by the prevailing market conditions and the impact they have on the operating (consolidated) Vontobel companies. The Vontobel Group focuses on three business units: Private Banking, Asset Management and Investment Banking. In this context, the Guarantor has defined the Vontobel Group's market risk, liquidity risk, credit risk and operational risks in particular.

Risks to the Swiss Guarantor's business may be posed by general market risks, which may arise as a result of unfavourable movements in market prices, such as interest rates, exchange rates, share prices, commodity prices and the related volatilities, and may have a negative impact on the valuation of the Underlyings and/or derivative financial products. The Swiss Guarantor's financial condition may also be impacted by liquidity bottlenecks that may be caused, for example, by cash outflows when loan commitments are drawn down or when it is not possible to renew deposits, with the result that the Swiss Guarantor might be temporarily unable to meet short-term financing requirements.

In addition, the Swiss Guarantor is exposed to credit risk, since default risk is associated with the direct lending business and may also arise in connection with transactions involving credit risk, such as OTC derivatives transactions (transactions arranged individually between two parties), money market transactions or securities lending and borrowing. The Vontobel Group does not engage in any commercial lending business.

Finally, operational risks may arise as part of the Vontobel Group's operating activities and lead to losses due to inadequate or non-existent processes or systems, employee misconduct or external events.

2.6.4 Risks in connection with the Swiss resolution proceedings and resolution planning requirements

Pursuant to Swiss banking laws, the Swiss supervisory financial authority (*Eidgenössische Finanzmarktaufsicht*, "**FIN-MA**") has broad powers and discretion in the case of resolution proceedings with respect to a Swiss bank and to a Swiss parent company of a financial group, such as Vontobel Holding AG, Zurich, Switzerland (the Swiss Guarantor). These broad powers include the power to cancel Vontobel Holding AG's outstanding equity, convert debt instruments and other liabilities of Vontobel Holding AG into equity and cancel such liabilities in whole or in part, and stay (for a maximum of two business days) certain rights under contracts, as well as order protective measures, including the deferment of payments, and institute liquidation proceedings. The scope of such powers and discretion and the legal mechanisms that would be utilized are subject to development and interpretation.

Vontobel Holding AG is currently subject to resolution planning requirements in Switzerland and may face similar requirements in other jurisdictions. If a resolution plan is determined by the relevant authority to be inadequate, relevant regulations may allow the authority to place limitations on the scope or size of Vontobel Holding AG's business in that jurisdiction, require it to hold higher amounts of capital or liquidity, require it to divest assets or subsidiaries or to change its legal structure or business to remove the relevant impediments to resolution.

In any event, the exercise of any resolution power by the relevant resolution authorities in respect of Vontobel Holding AG or Bank Vontobel AG could materially adversely affect the value of the Securities, and you may not be able to recover all or even part of the amount due under the Securities.

2.7 Risks related to the legal enforcement of claims in relation with the Guarantee

Each Guarantee constitutes an independent, unsecured and non-subordinated obligation of the Guarantor. The Swiss Guarantee is subject to Swiss law, the German Guarantee is subject to German law. The place of jurisdiction is with respect to the German Guarantee Frankfurt am Main and with respect to the Swiss Guarantee Zurich. The legal enforcement of any claims arising in connection with the guarantee against the Swiss Guarantor is therefore only possible in Switzerland and against the German Guarantor is therefore only possible in Germany. This may result in increased costs in connection with the assertion of legal claims (for example, the representation by a lawyer of the respective jurisdiction, if necessary, before the competent court or in connection with possible legal statements). The duration of any court proceedings in such jurisdiction may also deviate from the duration of judicial proceedings in the country of domicile of the investor.

2.8 Risks relating to potential conflicts of interest

Conflicts of interest may exist for companies of the Vontobel Group (which includes all consolidated subsidiaries of Vontobel Holding AG).

Trading transactions relating to the underlying

During the term of the Securities, the companies of the Vontobel Group may be involved in trading transactions, for their own account or for a customer's account, that directly or indirectly relate to the respective underlying. The companies of the Vontobel Group may also become counterparties in the Issuer's hedging transactions relating to its obligations arising from the Securities. Such trading and hedging transactions may have an adverse effect on the value of the underlying and thus on the value of the Securities.

Exercise of other functions by companies of the Vontobel Group

The Issuer and other companies of the Vontobel Group may also exercise another function in relation to the Securities, e.g. that of calculation agent and/or market maker. Such a function may enable the Issuer and/or the other companies of the Vontobel Group to determine the composition of the underlying or calculate its value. These functions may lead to conflicts of interest both among the respective companies of the Vontobel Group and between these companies and the investors in determining the prices of the Securities and in making other associated determinations.

In the case of Securities with bonds as the underlying, conflicts of interest may also arise if the Issuer or other companies of the Vontobel Group act as market maker for the bonds and are responsible for their pricing in this capacity. There is a possibility that the Issuer or other companies of the Vontobel Group may generate additional income by offering the Securities linked to these bonds.

Issue of additional derivative instruments on an underlying

The Issuer and/or other companies of the Vontobel Group may also issue additional derivative instruments relating to the respective underlying; the introduction of such products may impact on the value of the Securities.

Receipt of non-public information

The Issuer and other companies of the Vontobel Group may receive non-public information relating to the underlying and, unless section 16 WpPG applies (obligation to update the Base Prospectus), are not obliged to pass such information on to the Security Holders.

Publication of research reports relating to an underlying

In addition, companies of the Vontobel Group may publish research reports in relation to the respective underlying. Such activities may lead to conflicts of interest both among the respective companies of the Vontobel Group and between these companies and the investors and have an adverse effect on the value of the Securities.

Payment of commissions, own interests of sales partners and investment advisers

It should also be borne in mind that the payment of commissions to sales partners may generate conflicts of interest to the disadvantage of the investor, because this could create an incentive for the sales partner to sell products with a higher commission to its customers in preference to other products. Such commissions are included in the price of the Security. Placement commissions are paid from the sales proceeds as one-time or recurring payments; alternatively the respective distributor is granted a corresponding discount on the selling price. If a company of the Vontobel Group is involved in the distribution, the relevant amounts are credited to the distributor in a bank-internal transaction.

The sales partners and investment advisers may be pursuing their own interests with respect to the sale of the Securities and their associated advisory activities. The consequence of a conflict of interest on the part of the advisers may be that the advisers make an investment decision or issue a recommendation in their own interests and not in the interests of the investors.

Activity as market maker for the Securities

Bank Vontobel Europe AG (or another appointed company) will act as market maker for the Securities (the "**Market Maker**"). Through such market making, the Market Maker will determine the price of the Securities itself to a large extent.

The Market Maker determines the spreads between the buying and selling prices (also referred to as bid and offer prices) on the basis of various factors and taking into account income considerations. The principal factors include the pricing model used by the Market Maker in the particular case, the value of the underlyings, the volatility of the underlyings, the remaining term of the Securities and the supply and demand for hedging instruments. In the case of abnormal market situations, where hedging transactions are not possible at all or only under more onerous conditions, the spreads between bid and offer prices may widen.

As a result, the prices set by the Market Maker may differ significantly from the fair value of the Securities and/or the value they would be expected to have in economic terms at the relevant time on the basis of the above factors. In addition, the Market Maker may at any time revise the method it uses to determine the prices quoted, e.g. by widening or narrowing the spreads between bid and offer prices.

3. Information about the Issuer

The required information about Vontobel Financial Products GmbH as the Issuer of the Securities is incorporated by reference in accordance with section 11 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*, "**WpPG**") from the registration document of Vontobel Financial Products GmbH dated 4 May 2018 filed with the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, "**BaFin**") (the "**Registration Document of the Issuer**") (see section 13 of the Base Prospectus).

Vontobel Financial Products GmbH has published unaudited interim financial statements as of 30 June 2018 which are set out hereinafter on pages B-1 to B-17.

Interim Financial Statements as at 30 June 2018 (excerpt) (unaudited)

- Balance Sheet B-1
- Income statement B-3
- Notes to the financial statements and statement of cash flows (indirect method) B-4
- Supplementary disclosures B-9
- Appendix to the notes to the financial statements: statement of cash flows (indirect method) B-11
- Interim management report B-12

No significant changes have occurred in the financial or trading position of the Vontobel Financial Products GmbH since the reporting date for the unaudited interim financial statements as at 30 June 2018.

I. Balance sheet as at 30 June 2018

ASSETS		30/06/2018	31/12/2017
	EUR	EUR	EUR
A. Fixed assets			
Tangible fixed assets			
1. Technical equipment and machinery	10		
2. Other equipment, operating and office equipment	6,376		
		6,386	6,988
B. Current assets			
I. Receivables and other assets			
1. Receivables from affiliated companies	1,798,620,666		1,775,739,225
- of which trade receivables EUR 0 thousand (prior year EUR 0 thousand)			
2. Other assets	13,134,414		13,818,798
II. Bank balances	2,155,388		2,794,745
- of which due from affiliated companies EUR 2,040 thousand (prior year EUR 2,486 thousand)			
		1,813,910,468	1,792,352,768
C. Prepaid expenses		560,652	6,237
		1,814,477,506	1,792,365,993

EQUITY AND LIABILITIES

		30/06/2018	31/12/2017
	EUR	EUR	EUR
A. Equity			
I. Subscribed capital	50,000		50,000
II. Capital reserves	2,000,000		2,000,000
III. Retained profits brought forward	0		0
IV. Net income for the year	<u>105,464</u>		<u>347,332</u>
		2,155,464	2,397,332
B. Provisions			
1. Provisions for taxes	55,185		187,102
2. Other provisions	<u>225,195</u>		<u>224,077</u>
		280,380	411,179
C. Liabilities			
1. Issuance liabilities	1,798,620,666		1,775,673,062
2. Liabilities to banks	61,270		5,838
- of which due to affiliated companies EUR 61 thousand (prior year EUR 6 thousand)			
3. Trade payables	63,629		78,914
- of which due to affiliated companies EUR 0 thousand (prior year EUR 0 thousand)			
4. Liabilities to affiliated companies	214,587		15,000
- of which with a remaining term of up to one year EUR 215 thousand (prior year EUR 15 thousand)			
5. Other liabilities	13,081,510		13,784,668
- of which for taxes EUR 5 thousand (prior year EUR 5 thousand)			
- of which for social security EUR 10 thousand (prior year EUR 1 thousand)			
- of which with a remaining term of up to one year EUR 13,082 thousand (prior year EUR 13,784 thousand)			
		<u>1,812,041,662</u>	<u>1,789,557,482</u>
		<u>1,814,477,506</u>	<u>1,792,365,993</u>

II. Income statement for the period from 1 January 2018 to 30 June 2018

	EUR	30/06/2018 EUR	30/06/2017 EUR
1. Realised and unrealised gains and losses from the issuance business	159,309,803		-39,310,631
2. Realised and unrealised gains and losses from hedging transactions	-156,683,211		41,986,796
		2,626,592	2,676,165
3. Other operating income		27,615	6,553
4. Personnel expenses			
a) wages and salaries	186,030		187,091
b) social security contributions and expenses for old-age pensions and other employee benefits	60,535		79,070
- of which in respect of old-age pensions EUR 15 thousand (prior year EUR 42 thousand)			
		246,565	266,161
5. Depreciation of tangible fixed assets		601	679
6. Other operating expenses		2,243,837	2,146,209
7. Other interest and similar income	19,051,674		16,906,872
-of which from affiliated companies EUR 19,052 thousand (prior year EUR 16,907 thousand)			
8. Interest and similar expenses	19,064,215		16,965,270
-of which from affiliated companies EUR 19,064 thousand (prior year EUR 16,965 thousand)			
		-12,541	-58,398
9. Result from ordinary activities		150,663	211,271
10. Taxes on income		45,199	66,275
11. Net income for the year		105,464	144,996

III. Notes to the financial statements and statement of cash flows (indirect method) as at 30 June 2018

1. Accounting policies

a. General

The interim financial statements as at 30 June 2018 of Vontobel Financial Products GmbH, Frankfurt am Main, also referred to in the following as the "Company", were prepared in accordance with the requirements of the German Commercial Code (*Handelsgesetzbuch*, "HGB") and the German Limited Liability Companies Act (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung*, "GmbHG").

The nature of expense format was chosen for the presentation of the income statement in accordance with § 275 (2) HGB.

b. Measurement methods

The accounting policies applied were unchanged as against the annual financial statements as at 31 December 2017.

Tangible assets are recorded at cost less depreciation. Depreciation is based on the rates permitted for tax purposes. Low-value items were written off in full in the year of addition pursuant to § 6 (2) of the German Income Tax Act (*Einkommensteuergesetz*, "EStG").

Tangible assets are depreciated over periods of between 1 and 13 years depending on the nature of the particular asset.

Receivables were recorded at the nominal amount with the exception of the OTC hedging instruments.

The hedging transactions reported under **receivables from affiliated companies** were combined with **issuance liabilities** into individual hedges in accordance with § 254 HGB and measured at fair value. The individual hedges are recognised using the gross hedge presentation method. In other words, the offsetting changes in the fair value of the hedged risk attributable to both the securities issued and the hedging transactions are reported in the balance sheet. In each case, the offsetting changes in fair value are presented in the income statement on a gross basis.

Other assets were recognised at their nominal amount.

Bank balances were recorded at the nominal amount.

Prepaid expenses were recognised at the nominal amount.

Provisions were recognised in the amount required by prudent business judgment in accordance with § 253 (1) HGB.

Liabilities were recorded at the settlement amount.

Income and **expenses** were recorded in the periods to which they relate.

Valuation allowances in respect of receivables and other assets were not required.

No material amounts of **foreign currency assets or liabilities** were contained in the receivables from and liabilities to banks. The hedging transactions reported under issuance liabilities and receivables from affiliated companies include significant foreign currency exposures that offset each other when combined into individual hedges as described above.

Amounts denominated in foreign currencies were translated using the following mid-rates as at 30 June 2018:

EUR 1 = CHF 1.15932	EUR 1 = USD 1.16755	EUR 1 = GBP 0.88434
EUR 1 = SEK 10.44492		

2. Notes to the interim financial statements

a. Bank balances

The bank balances represent demand deposits and include receivables from affiliated companies amounting to EUR 2,040 thousand (prior year EUR 2,486 thousand).

b. Receivables from affiliated companies

Receivables from affiliated companies consist of OTC hedging instruments amounting to EUR 1,798,621 thousand (prior year EUR 1,775,739 thousand) acquired for the purpose of fully hedging the securities issued.

c. Other assets

Other assets include receivables from affiliated companies in respect of accrued interest amounting to EUR 13,066 thousand (prior year EUR 13,778 thousand) and tax receivables of EUR 68 thousand (prior year EUR 0 thousand).

d. Prepaid expenses

Prepaid expenses consist primarily of fees to supervisory authorities and contributions to associations dues.

e. Equity

The share capital of the Company amounted to EUR 50 thousand as at 30 June 2018 (prior year EUR 50 thousand) and is fully paid-up.

Capital reserves amounting to EUR 2,000 thousand reflect capital contributions by the sole shareholder. No amounts were either contributed to or withdrawn from the capital reserves during the financial year.

f. Issuance liabilities

Issuance liabilities consist entirely of the securities issued.

g. Liabilities to banks

Liabilities to banks relate to transitory accounts in EUR and USD, which is held with Bank Vontobel, Zurich.

h. Trade payables

The trade payables include obligations for other services amounting to EUR 64 thousand (prior year EUR 79 thousand).

i. Liabilities to affiliated companies

Liabilities to affiliated companies contains EUR 175 thousand (prior year EUR 0 thousand) in liabilities to Vontobel Holding AG, Zurich, EUR 20 thousand (prior year: EUR 0 thousand) to Bank Vontobel AG, Zurich, and EUR 20 thousand (prior year EUR 15 thousand) to Bank Vontobel Europe AG, Munich.

j. Other liabilities

Other liabilities amounting to EUR 13,082 thousand (prior year EUR 13,785 thousand) mainly comprise liabilities from accrued interest of EUR 13,066 thousand (prior year EUR 13,778 thousand) and income tax and social security contributions deducted from wages for June of EUR 16 thousand (prior year EUR 6 thousand).

k. Maturity analysis of receivables

The receivables were made up as follows:

Item	of which with a remaining term of			
	Total amount EUR '000	up to 1 year EUR '000	more than 1 to 5 years EUR '000	More than 5 years EUR '000
Receivables from affiliated companies	1,798,621 (prior year 1,775,739)	991,342 (prior year 955,152)	540,503 (prior year 512,812)	266,776 (prior year 307,775)
Other assets	13,134 (prior year 13,819)	13,134 (prior year 13,819)	- (prior year -)	- (prior year -)
Total	1,811,755 (prior year 1,789,558)	1,004,476 (prior year 968,971)	540,503 (prior year 512,812)	266,776 (prior year 307,775)

l. Maturity analysis of liabilities

The analysis of the liabilities is as follows:

Item	of which with a remaining term of			
	Total amount EUR '000	up to 1 year EUR '000	more than 1 to 5 years EUR '000	More than 5 years EUR '000
Issuance liabilities¹	1,798,621 (prior year 1,775,673)	991,342 (prior year 955,086)	540,503 (prior year 512,812)	266,776 (prior year 307,775)
Liabilities to banks	61 (prior year 6)	61 (prior year 6)	- (prior year -)	- (prior year -)
Trade payables	64 (prior year 79)	64 (prior year 79)	- (prior year -)	- (prior year -)
Liabilities to affiliated companies	215 (prior year 15)	215 (prior year 15)	- (prior year -)	- (prior year -)
Other liabilities	13,081 (prior year 13,785)	13,081 (prior year 13,785)	- (prior year -)	- (prior year -)
Total	1,812,042 (prior year 1,789,557)	1,004,764 (prior year 968,971)	540,503 (prior year 512,812)	266,776 (prior year 307,775)

¹The issuance liabilities with a remaining term of more than 5 years consist entirely of open-end certificates (tracker certificates, factor certificates, mini-futures and open-end turbo warrants).

m. Nature and scope of derivative financial instruments

The table below shows the nature and scope of the derivative financial instruments and the related hedging instruments. The volume of these securities is given in numbers of individual securities. The securities issued and the hedging instruments acquired are combined into perfect micro hedges in accordance with § 254 HGB, eliminating all fair value and cash flow risk (including price fluctuation, interest rate, foreign currency, credit/default and liquidity risk). The terms and parameters of the underlying and hedging transactions are matched to ensure the effectiveness of the individual hedge. Effectiveness is measured using the critical term match method. The fair value of these financial instruments after initial recognition is determined on the basis of quoted market prices or prices quoted by dealers, if the financial instrument is traded on an active market. In the case of unquoted financial instruments, fair value is determined solely by the use of generally recognised valuation models which rely on input parameters that are observable in the market. Complex structured products were measured separately in accordance with accounting principle AcP HFA 22 of the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland*, "IDW"). The interim management report for the period from 1 January to 30 June 2018 contains further disclosures in accordance with § 285 no. 23 HGB.

The derivative financial instruments were reported in the balance sheet under the following items:

Certificates issued	Issuance liabilities
OTC hedging instruments	Receivables from affiliated companies
Warrants issued	Issuance liabilities
OTC hedging instruments	Receivables from affiliated companies

Summary analysis of the derivative financial instruments and the related hedging instruments as at 30 June 2018:

Category	30/06/2018 Number of securities	30/06/2018 Fair value in EUR	Prior year Number of securities	Prior year Fair value in EUR
Type of security:				
Certificates	17,512,887	1,624,141,680.06	18,454,826	1,385,010,983.39
Underlying shares	8,642,846	909,703,306.49	10,709,948	872,476,296.53
Underlying indices	8,627,213	653,560,343.83	7,588,606	486,298,840.46
Underlying interest rate instruments	1,563	1,577,893.66	9,452	9,503,244.50
Underlying precious metals	54,775	811,580.49	79,783	2,280,483.52
Underlying commodities	14,130	687,446.88	6,197	222,401.03
Underlying currencies*	172,360	57,801,108.71	60,840	14,229,717.35
Warrants	1,515,906,440	174,478,920.45	958,117,620	160,977,868.62
Underlying shares	499,542,924	98,538,960.77	269,930,865	75,163,329.20
Underlying indices	893,247,001	40,799,384.02	236,421,726	43,650,329.81
Underlying interest rate instruments	165,606	342,362.67	91,246	310,337.72
Underlying precious metals	41,959,371	16,804,120.29	71,165,222	16,792,251.43
Underlying commodities	79,135,856	15,710,580.59	378,859,072	21,615,894.04
Underlying currencies	1,855,682	2,283,512.11	1,649,489	3,445,726.42
Total	1,533,419,327	1,798,620,600.51	976,572,446	1,545,988,852.01

* Items also include hedging instruments linked to products with cryptocurrencies as the underlying.

OTC hedging instruments linked to:

Certificates	17,512,887	1,624,141,680.06	18,454,826	1,385,010,983.39
Underlying shares	8,642,846	909,703,306.49	10,709,948	872,476,296.53
Underlying indices	8,627,213	653,560,343.83	7,588,606	486,298,840.46
Underlying interest rate instruments	1,563	1,577,893.66	9,452	9,503,244.50
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Underlying shares	499,542,924	98,538,960.77	269,930,865	75,163,329.20
Underlying indices	893,247,001	40,799,384.02	236,421,726	43,650,329.81
Underlying interest rate instruments	165,606	342,362.67	91,246	310,337.72
Underlying precious metals	41,959,371	16,804,120.29	71,165,222	16,792,251.43
Underlying commodities	79,135,856	15,710,580.59	378,859,072	21,615,894.04
Underlying currencies	1,855,682	2,283,512.11	1,649,489	3,445,726.42
Total	1,533,419,327	1,798,620,600.51	976,572,446	1,545,988,852.01

* Items also include hedging instruments linked to products with cryptocurrencies as the underlying.

Supplementary disclosures

a. Contingent liabilities

At the balance sheet date, there were no contingent liabilities that were not reported in the balance sheet.

b. Management and employees

Stefan Armbruster, Managing Director (business studies graduate)

Dr. Lysander M. Heigl, Managing Director (attorney/tax advisor)

Anton Hötzl, Managing Director (attorney)

The Company made use of the exemption granted by § 286 (4) HGB with respect to the disclosures required by § 285 sentence 1 no. 9 a) and b) HGB.

In addition to the managing directors, the Company had an average of 4.5 employees during the financial year (prior year 4.5) and 1 trainee/temporary member of staff (prior year 1).

c. Audit committee

The Company has formed an Audit Committee in accordance with § 324 HGB. This committee currently comprises three members.

d. Sales

Sales amounting to EUR 2,654 thousand (prior year EUR 2,683 thousand) comprise EUR 2,627 thousand (prior year EUR 2,676 thousand) from the issuance business and EUR 28 thousand (prior year EUR 7 thousand) from other sources of income. EUR 2,670 thousand is attributable to the issuance margin, which the Company receives as compensation pursuant to the Issuance Agreement for its business activities.

Income from the issuance business is reflected in the income statement as the difference between the realised and unrealised gains and losses from the issuance business and hedging transactions.

e. Fees

The fee for the audit of the financial statements recorded as an expense in the financial year amounted to EUR 20 thousand (prior year EUR 35 thousand).

f. Other financial obligations

Other financial obligations consist of EUR 69 thousand under rental agreements (prior year EUR 126 thousand), including obligations amounting to EUR 69 thousand (prior year EUR 69 thousand) with a remaining term of up to 1 year and EUR 0 thousand (prior year EUR 57 thousand) with a remaining term of 2 to 5 years. Other financial obligations relate in their full amount to affiliated companies.

g. Taxes on income

Taxes on income amounting to EUR 45 thousand (prior year EUR 66 thousand) relate entirely to the result from ordinary activities.

h. Group and shareholdings

The consolidated financial statements for the largest group of companies are prepared by Vontobel Holding AG, Zurich, Switzerland, and are available for inspection at their offices. The Company is included in those consolidated financial statements. There are no smaller groups of consolidated companies.

i. Statement of cash flows

The statement of cash flows for the interim financial statements as at 30 June 2018 was prepared using the indirect method. As in the prior year, cash funds in the statement of cash flows comprise deposits with banks less liabilities to banks. The statement of cash flows is attached to the notes as an appendix.

Vontobel Financial Products GmbH

Frankfurt am Main, 6 August 2018

The Management

Stefan Armbruster

Dr. Lysander M. Heigl

Anton Hötzl

Appendix to the notes to the financial statements: statement of cash flows (indirect method) for the period from 1 January to 30 June 2018

		30/06/2018	30/06/2017
		EUR	EUR
1.	Profit for the period (including profit attributable to non-controlling interests) before extraordinary items	105,463.82	144,996.04
2.	+/- Depreciation, write-downs and reversals of write-downs on fixed assets	600.96	678.94
3.	+/- Increase/decrease in provisions	130,799.25	560.64
4.	+/- Other non-cash income and expenses (e.g., amortisation of discounts capitalised)	0.00	0.00
5.	-/+ Gain/loss from disposals of fixed assets	1.00	0.00
6.	-/+ Increase/decrease in inventories, trade receivables and other assets not allocated to investing or financing activities	22,791,051.14	193,706,389.00
7.	+/- Increase/decrease in trade payables and other liabilities not allocated to investing or financing activities	22,468,327.40	193,792,218.88
8.	+/- Cash inflows and outflows from extraordinary items	0.00	0.00
9.	= Cash flow from operating activities	-347,457.21	230,944.22
10.	Proceeds from disposals of tangible fixed assets	0.00	0.00
11.	- Payments for investments in tangible fixed assets	0.00	-479.46
12.	+ Proceeds from disposals of intangible fixed assets	0.00	0.00
13.	- Payments for investments in intangible fixed assets	0.00	479.46
14.	+ Proceeds from disposals of long-term financial assets	0.00	0.00
15.	- Payments for investments in long-term financial assets	0.00	0.00
16.	+ Proceeds from the sale of consolidated companies and other business entities	0.00	0.00
17.	- Payments for the acquisition of consolidated companies and other business entities	0.00	0.00
18.	+ Proceeds from cash deposits in connection with short-term liquidity management	0.00	0.00
19.	- Payments arising from cash deposits in connection with short-term liquidity management	0.00	0.00
20.	= Cash flow from investing activities	0.00	0.00
21.	Proceeds from additions to equity (capital increases, sale of own shares, etc.)	0.00	0.00
22.	- Payments to owners and non-controlling interests (dividends, purchase of own shares, repayments of capital, other distributions)	347,331.88	331,781.50
23.	+ Proceeds from bond issues and new borrowings	0.00	0.00
24.	- Repayments of bonds and borrowings	0.00	0.00
25.	= Cash flow from financing activities (total of 21 to 24)	-347,331.88	-331,781.50
26.	Change in cash funds (total of 9, 20, 25)	-694,789.09	-100,837.28
27.	+/- Changes in cash funds due to exchange rate movements, changes in the group of consolidated companies and remeasurement	0.00	0.00
28.	+ Cash funds at the beginning of the period	2,788,907.84	2,634,323.55
29.	= Cash funds at the end of the period (total of 26 to 28)	2,094,118.75	2,533,486.27

Vontobel Financial Products GmbH, Frankfurt am Main

Interim management report for the period from 1 January to 30 June 2018

I. Fundamental information about the Company

Vontobel Financial Products GmbH (the "Company") is a wholly owned subsidiary of Vontobel Holding AG, Zurich. The object of the Company is to issue securities and derivative securities and to carry out financial transactions and auxiliary transactions of financial transactions. Activities that require authorisation under the German Banking Act (*Gesetz über das Kreditwesen*) are excluded.

The Company commenced its business activities as an issuance company (company whose main purpose is to issue securities) in spring 2005. The activities relating to the issuance of investment and leveraged products (issuance of certificates, bonds, warrants and knock-out products) commenced in April 2005. The securities issued are acquired exclusively by Bank Vontobel AG, Zurich. Simultaneously, the Company enters into OTC hedging transactions, i.e. hedging transactions negotiated individually between two parties, with other companies within the Vontobel Group (Bank Vontobel AG, Zurich, Switzerland, and Vontobel Financial Products Ltd., Dubai, United Arab Emirates). Bank Vontobel Europe AG, Frankfurt am Main branch, offers the Company's securities to the public and conducts marketing activities for the Company's securities.

II. Business and general environment

Germany is currently the most important capital market for the securities issued by the Company. The Company's securities are also offered by Bank Vontobel Europe AG in Austria and Luxembourg. The Company has issued securities (mini futures, open-end turbo warrants and factor certificates) for the Swedish market since January 2015. The Finnish market was also entered in August 2015. These securities are listed on the Nordic Growth Market (NGM) based in Stockholm, Sweden. The Italian market followed in May 2016. The securities are listed there on the Borsa Italiana, in the SeDeX segment. The Company has also been issuing its products for the French and Dutch markets since January 2017, with the securities listed on Euronext in Paris and Amsterdam, respectively. During the reporting period, the Company expanded its issuing activity in Italy and Sweden to include tracker certificates linked in particular to products such as Bitcoin as their underlying. Bank Vontobel Europe AG serves as the distributor and liquidity provider for these securities.

The Company's issuance activities – its most significant performance indicator – rose sharply, primarily as the result of the high level of volatility. In the first half of 2018, the Company issued a total of 236,046 securities; in financial year 2017, it had issued a total of 288,908 securities (2016: 303,478). Of that number, 3,661 securities were issued in Sweden (2017: 4,106), 1,549 in Finland (2017: 1,918), 1,356 in Italy (2017: 2,103), 7,237 in France (2017: 5,406) and 3,746 in the Netherlands (2017: 2,903).

Overall turnover in the first half of 2018 was virtually identical to the prior period (EUR 20.6 billion as compared to EUR 21.3 billion in the first half of 2017; source: German Derivatives Association (DDV); turnover on the Stuttgart Stock Exchange (EUWAX) and the Frankfurt Stock Exchange - certificates). The Company's market share in investment and leveraged products was 9.82% in the reporting period, as compared to 9.00% in 2017. This encouraging growth in market share was attributable primarily to growth in the investment products segment, where the Company's innovative product range and affiliated companies impressed the market with competitive pricing.

Turnover in the Swedish segment of the Nordic Growth Market (NGM) fell sharply (from SEK 17.9 billion to SEK 10.1 billion) in the first half of the year due to increased competition and a steep drop in customer activity. Turnover in the securities of the Company amounted to SEK 555.2 million (5.5%,

fourth place) as compared to SEK 7.1 billion (39.7%, second place) in the first half of 2017 (source: Nordic Growth Market). Securities turnover on the Finnish segment of the NGM (EUR 567 million total volume) amounted to EUR 81 million (14.5% share, fourth place; first half of the prior year: EUR 106 million out of EUR 349 million total volume, i.e. 30.3%, third place; source: Nordic Growth Market). On the Borsa Italiana, where the Company has operated as an issuer since 2016, the volume of the Company's securities amounted to EUR 617 million out of a total volume of EUR 10.1 billion during the reporting period, representing a 6.1% market share (source: Borsa Italiana; prior year EUR 481 million, total volume EUR 9.6 billion, market share 5.0%). The Company achieved encouraging growth in the visibility of its securities on the two markets most recently tapped into, i.e., Euronext Paris and Amsterdam. While turnover in both countries was still only in the single-digit millions range during the previous year and market share was below one percent, the following picture emerged during the period under review: France: turnover EUR 53.4 million, market share 2.9%; Netherlands: turnover EUR 96.6 million, market share 3.0% (source: Euronext).

The Company's volume of sales increased in the first half of 2018 from EUR 1,775.6 million as at 31 December 2017 to EUR 1,798.6 million. The markets only tapped into during recent years still only made a small contribution to issuance volumes: Sweden: EUR 12.5 million (prior year EUR 18.4 million); Finland: EUR 2.7 million (prior year EUR 2.4 million); Italy: EUR 33.1 million (prior year EUR 12.5 million); France: EUR 0.5 million (prior year EUR 0.1 million); Netherlands: EUR 0.9 million (prior year EUR 0.1 million). These figures were so low because of the fact that previously mainly leveraged products were placed on these markets, and these products are generally only held by investors for very brief periods – in many cases only intraday.

The implementation of Regulation (EU) No 1286/2014 ("PRIIP Regulation") as at 3 January 2018 placed considerable requirements on the Company. As an issuer of structured securities, the Company must now prepare standardised key information documents for securities slated to be sold to retail investors.

III. Management system

The Company is integrated into the global management system of the Vontobel Group and performs its business activities in close cooperation with its affiliated companies in particular: Bank Vontobel AG, Zurich, Vontobel Financial Products Ltd., Dubai, United Arab Emirates, and Bank Vontobel Europe AG, Frankfurt am Main branch. The management of the Company is therefore also coordinated with these affiliated companies and in line with strategy of the Vontobel Group.

The Company aims to offer the broadest possible range of issuable redemption profiles and combinations of underlyings and at the same time, continuously increase the degree of automation. All planned issues are subject to statutory requirements.

IV. Results of operations/ financial position/ net assets

1. Results of operations

The Company's issuance activities are governed by an agreement ("Issuance Agreement") with Bank Vontobel AG, Zurich, Switzerland, and with Vontobel Financial Products Ltd., Dubai, United Arab Emirates. The remuneration for the issuance activities is calculated and agreed on a year by year basis within the framework of this agreement.

A key performance indicator in this connection is the volume of securities sold by affiliated companies (issuance volume). It became evident in the first half of 2018 that the Company would not be able to meet or exceed the target figures agreed for 2018, resulting in income from the issuance activities during the first half of the year amounting to the minimum budgeted figure for income agreed between the parties.

Other operating income rose to EUR 28 thousand (prior year EUR 7 thousand). In addition, personnel expenses of EUR 247 thousand (prior year EUR 266 thousand), depreciation of EUR 1 thousand (prior year EUR 1 thousand) and other operating expenses amounting to EUR 2,247 thousand (prior year EUR 2,146 thousand) were incurred. The other operating expenses mainly comprised EUR 1,662 thousand for issuance costs (prior year EUR 1,672 thousand), contributions of EUR 137 thousand (prior year EUR 131 thousand) and Group cost allocations of EUR 129 thousand (prior year EUR 137 thousand).

Interest and similar income amounted to EUR 19,052 thousand (prior year EUR 16,907 thousand) and interest and similar expenses amounted to EUR 19,064 thousand (prior year EUR 16,965 thousand) and were thus at a similar net level as in the prior year.

The result from ordinary activities therefore amounted to EUR 151 thousand (prior year EUR 211 thousand).

An expense for taxes on income amounting to EUR 45 thousand (prior year EUR 66 thousand) was also incurred. Net income for financial year 2018 therefore fell by EUR 40 thousand compared with the previous year to EUR 105 thousand (prior year EUR 145 thousand).

2. Financial position

As at 30 June 2018, the liquid funds of the Company decreased to EUR 2,155 thousand (prior year EUR 2,579 thousand). Since the volume of assets increased at the same time, the share of total assets represented by liquid funds declined to 0.11% (prior year 0.15%).

Cash flow from operating activities for 2018 was negative and amounted to EUR -347 thousand (prior year EUR 231 thousand). Starting from the net income for 2018 of EUR 105 thousand (prior year EUR 145 thousand), the principal factors contributing to the cash flow figure were the increase in receivables from affiliated companies of EUR 22,892 thousand, the increase in issuance liabilities of EUR 22,948 thousand (including an increase of EUR 175 thousand in guarantee liabilities) and the decline in provisions amounting to EUR 138 thousand.

Liquidity is secured by the corporate structure, bank balances and the integration into the Vontobel Group. No liquidity squeezes are expected. The Company also has the ability obtain funds from the Vontobel Group at any time.

3. Net assets

Receivables from affiliated companies amounted to EUR 1,798,621 thousand as at 30 June 2018 (prior year EUR 1,775,739 thousand) and represented the largest component of total assets with a share of 99.1% (prior year 99.1%).

The liabilities side of the balance sheet as at 30 June 2018 was dominated by issuance liabilities of EUR 1,798,621 thousand or 99.1% (prior year EUR 1,775,673 thousand or 99.1%). In addition, trade payables amounted to EUR 64 thousand (prior year EUR 79 thousand). Other liabilities mostly relate to accrued interest and amounted to EUR 13,082 thousand (prior year EUR 13,785 thousand). Provisions of EUR 280 thousand (prior year EUR 411 thousand) comprised provisions for taxes of EUR 55 thousand (prior year EUR 187 thousand) and other provisions of EUR 225 thousand (prior year EUR 224 thousand). Other major components of other provisions included liabilities accrued for bonus payments (EUR 29 thousand, prior year EUR 55 thousand) and liabilities for the costs of auditing (EUR 30 thousand, prior year EUR 75 thousand) and preparing the annual financial statements (EUR 12 thousand, prior year EUR 6 thousand).

All retained profits brought forward (EUR 347 thousand) were distributed to the sole shareholder in the financial year. Based on the net income generated for the year of EUR 105 thousand, equity therefore declined to EUR 2,155 thousand (prior year EUR 2,397 thousand). Equity represents 0.11% (prior year 0.13%) of total assets.

The largest asset and liability items are therefore receivables from hedging transactions and issuance liabilities, and so the Company's equity structure is presented very clearly.

4. Overall assessment of economic position

The management's assessment of the Company's economic position is positive. The close integration of the Company into the Vontobel Group and its Financial Products division will enable the Company to generate income on a stable basis. Rigorous cost discipline is a significant factor for achieving these positive results.

V. Report on expected developments and on opportunities and risks

1. Report on expected developments

The Vontobel Group has confirmed its strategy of continuing to expand its business activities with investment and leveraged products in the coming years. Accordingly, the Group intends to continue with the internationalisation of the business activities of the Financial Products division.

Following the successful completion during the previous year of Project Euronext in Amsterdam and Paris, the Group continued to push forward with its expansion into eastern and northern Europe. For instance, Bank Vontobel Europe AG initiated distribution agreements relating to the sale of our products in the Czech Republic and Hungary and our securities prospectuses were notified accordingly. Furthermore a project to tap into the Danish market was kicked off.

The Company expects the macroeconomic and political environments to be stable to slightly volatile in the second half of the year. Geopolitical turbulence, which can strongly affect capital markets as well, must also be expected. The Company tends to expect the potential for interest rate hikes to lie more in the United States than in Europe.

On the whole, management is confident that the Company is well positioned to further expand its business in the coming two financial years despite the major challenges that the current economic, political and regulatory environment will no doubt present.

2. Risk report

The principal factors affecting the Company's risk position are its clearly arranged corporate structure and the close integration of the Company into the Vontobel Group, in particular into its risk management system. The Risk Management and Risk Control units ensure that all risks are managed and monitored with utmost care.

The most important principles regarding risk management and control are:

- clear responsibilities and authority
- alignment of risk profile and risk appetite
- independent control functions and adequate human and technical resources
- adequate internal control systems
- transparency with respect to the risks assumed.

All market price risks arising from investment and leveraged products issued are fully hedged by means of hedging transactions with other companies within the Vontobel Group (Bank Vontobel AG, Zurich, Switzerland and Vontobel Financial Products Ltd., Dubai, United Arab Emirates) using micro hedges, i.e. each individual security issued by the Company is directly matched against an individual hedging instrument. There are therefore no risks arising from movements in prices. Since the payments associated with the sale of the securities issued and the purchase of the hedging instruments as well as with the exercise and maturity of securities always offset each other, there are also no settlement risks arising. The Company does not represent an independent risk.

Credit risks primarily relate to the hedging transactions entered into with Bank Vontobel AG, Zurich, and Vontobel Financial Products Ltd., Dubai. Each of the Company's issuances is guaranteed by either Vontobel Holding AG, Zurich, or Bank Vontobel Europe AG, Munich. If Bank Vontobel Europe AG guarantees issuances by the Company, the Company grants Bank Vontobel Europe AG a right of lien in respect of the hedges concluded and provides further collateral upon request, which can be lent to Bank Vontobel AG, Zurich, for that purpose. The external issuer rating issued by Moody's for the Group parent as at 28 May 2018 was "A3" with a stable outlook. Default risk is classified as low.

No liquidity risks or cash flow risks were recognised due to the integration into the Vontobel Group.

Comprehensive reconciliation procedures are performed to mitigate operational risk. The reconciliation process for intragroup receivables and liabilities is reviewed by the Risk Control department on an ongoing basis. Where necessary, external legal advisers are involved in preparing and reviewing securities prospectuses. Most of the final terms and all of the documents required for an issue are generated automatically. Furthermore, the distribution of issue documentation to market participants, stock exchanges, clearing systems and the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) is also largely automated.

The Company does not have its own IT systems. The Company uses the systems and standard software of the Vontobel Group. As a result, operational risks relating to processes and IT systems are covered by contingency plans at affiliated companies.

There were no significant changes in risks compared with the previous year.

3. Report on opportunities

The Company's opportunities of increasing and expanding its income correspond to this risk position. The close integration of the Company into the Financial Products division of the Vontobel Group means that growth in the Company's income is conditional to a great extent on growth in the Financial Products division as a whole.

VI. Internal control and risk management system relevant for the financial reporting process

The Company's internal control and risk management system is safeguarded by means of appropriate organisational precautions. The basic principles, the organisation of the structure and processes and the procedures of the accounting-related internal control and risk management system are laid down on a Group-wide basis in guidelines and instructions that are updated at regular intervals to reflect current external and internal developments.

Compliance with internal requirements and instructions is monitored as part of Group-wide internal audit activities.

1. Responsibility

The management is responsible for managing the Company and works closely together with the other governing bodies to the benefit of the Company. It has overall responsibility for the preparation of the annual and interim financial statements, among other things.

An Audit Committee was formed in 2015. This addresses the development of the net assets, financial position and results of operations at least twice a year, in particular for the annual and interim financial statements.

The shareholder is responsible for the adoption of the annual financial statements as part of annual financial statement process. To meet these responsibilities, the financial statement documents are submitted to the Audit Committee. The Audit Committee then discusses the preliminary key findings of the audit of the financial statements with the auditors.

2. Organisation and components of the financial reporting process

Business transactions settled by the Company (issues, repurchases) are recorded – largely automatically – in the existing application of Bank Vontobel AG in Zurich. The Risk Control department continuously checks that these transactions have been recorded correctly.

Furthermore, the Company's financial accounting is outsourced to a specialised, independent company in Düsseldorf. Supplier invoices are allocated and approved by the Company's employees. Records are sent electronically to the external service provider.

Bank Vontobel AG issues monthly reports on the Company's issuance-related assets and liabilities to the service provider. The service provider consolidates this data with the other financial accounts and prepares it for reporting to the Vontobel Group and the management.

VII. Report on post-balance sheet date events

No events of particular significance have occurred since the close of the reporting period.

VIII. Responsibility statement

The Managing Directors of the Company assure that, to the best of their knowledge and belief, this interim management report includes fair view of the development and performance of the business and the position of the Company, together with a description of the opportunities and risks associated with the expected development of the Company.

Vontobel Financial Products GmbH

Frankfurt am Main, 6 August 2018

The Management

Stefan Armbruster

Dr. Lysander M. Heigl

Anton Hötzl

4. Information about the German Guarantor

The required information about the German Guarantor, Bank Vontobel Europe AG, is incorporated by reference pursuant to section 11 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*, "WpPG") from the registration document of Bank Vontobel Europe AG dated 18 July 2018 filed with the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, "BaFin") (the "**Registration Document of the German Guarantor**").

No significant changes have occurred in the financial or trading position of the German Guarantor since the reporting date for the audited financial statements as at 31 December 2017.

5. Information about the Swiss Guarantor

The information required about the Swiss Guarantor, Vontobel Holding AG, is incorporated by reference pursuant to section 11 WpPG as set out in the registration document dated 19 July 2018 of Vontobel Holding AG which has been filed with the BaFin (the "**Registration Document of the Swiss Guarantor**").

Vontobel Holding AG has published unaudited interim financial statements as of 30 June 2018 which are set out herein-after on pages A-1 to A-60.

Half-Year Report as at 30 June 2018 (excerpt) (unaudited)

- Key figures A-1
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No significant changes have occurred in the financial or trading position of the Vontobel Holding AG since the reporting date for the unaudited interim financial statements as at 30 June 2018.

Ratios

(6 MONTHS)	30.06.2018	30.06.2017	31.12.2017
Return on shareholders' equity (ROE) (%) ¹	15.1	12.9	13.2
Cost ² / income ratio (%)	72.0	76.1	74.6
Equity ratio (%)	7.0	7.2	7.1
Basel III leverage ratio (%)	6.7	5.1	4.7

1 Group net profit annualized as a percentage of average equity based on monthly figures, both without minority interests

2 Operating expense, excl. provisions and losses

Share data

(6 MONTHS)	30.06.2018	30.06.2017	31.12.2017
Basic earnings per share (CHF) ¹	2.28	1.78	1.87
Diluted earnings per share (CHF) ¹	2.24	1.75	1.81
Equity per share outstanding at balance sheet date (CHF)	29.95	27.31	29.31
Price / book value per share	2.4	2.3	2.1
Price / earnings ² per share	15.8	17.5	16.4
Share price at balance sheet date (CHF)	71.95	62.30	61.50
High (CHF)	72.95	63.45	66.35
Low (CHF)	57.00	53.25	57.25
Market capitalization nominal capital (CHF mn)	4,092.2	3,543.3	3,497.8
Market capitalization less treasury shares (CHF mn)	4,033.3	3,458.0	3,400.1
Undiluted weighted average number of shares	55,919,730	55,357,315	55,376,259

1 Basis: weighted average number of shares

2 Annualized

Performance of Vontobel Holding AG registered share (indexed)



Share information

Stock exchange listing	SIX Swiss Exchange
ISIN	CH001 233 554 0
Security number	1 233 554
Par value	CHF 1.00
Bloomberg	VONN SW
Reuters	VONTZn.S
Telekurs	VONN

BIS capital ratios

	30.06.2018	30.06.2017	31.12.2017
CET1 capital ratio (%)	19.1	19.3	18.4
CET1 capital (CHF mn)	1,174.7	1,088.4	1,098.6
Tier 1 capital ratio (%)	26.4	19.3	18.4
Tier 1 capital (CHF mn)	1,622.1	1,088.4	1,098.6
Risk weighted positions (CHF mn)	6,148.1	5,636.0	5,955.6

Risk ratio

CHF MN	30.06.2018	30.06.2017	31.12.2017
Average Value at Risk market risk	4.6	2.5	2.5

Average Value at Risk 6 months for positions in the Financial Products division of the Investment Banking business unit. Historical simulation of Value at Risk; 99% confidence level; 1-day holding period; 4-year historical observation period.

Rating

	30.06.2018	30.06.2017	31.12.2017
Moody's Rating Bank Vontobel AG (long-term deposit rating)	Aa3	Aa3	Aa3

Consolidated income statement

(6 MONTHS)	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE IN % TO 30.06.2017
Operating income	583.3	517.5	542.6	13
Operating expense	422.4	395.0	405.8	7
Group net profit	132.7	101.5	107.5	31
<i>of which allocated to minority interests</i>	4.9	2.8	3.8	75
<i>of which allocated to the shareholders of Vontobel Holding AG</i>	127.7	98.7	103.7	29

Segment profits before taxes

(6 MONTHS)	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE IN % TO 30.06.2017
Wealth Management	42.4	27.1	33.4	56
Asset Management	92.5	69.5	93.4	33
Investment Banking	65.7	62.8	49.3	5
Corporate Center	-39.8	-36.9	-39.2	

Consolidated balance sheet

	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE IN % TO 31.12.2017
Total assets	23,981.9	21,166.1	22,903.7	5
Shareholders' equity (excl. minority interests)	1,678.8	1,515.7	1,620.5	4
Loans	4,301.9	2,925.2	3,310.5	30
Due to customers	9,789.3	9,638.0	9,758.2	0

Client assets

	30.06.2018 CHF BN	30.06.2017 CHF BN	31.12.2017 CHF BN	CHANGE IN % TO 31.12.2017
Assets under management	168.6	146.5	165.3	2
<i>of which under discretionary management</i>	108.6	95.1	107.1	1
<i>of which under non-discretionary management</i>	60.0	51.4	58.2	3
Other advised client assets	13.4	11.0	12.8	5
Structured products outstanding	9.3	7.2	8.5	9
Total advised client assets	191.2	164.7	186.6	2
Custody assets	62.3	43.0	59.9	4
Total client assets	253.6	207.7	246.5	3

Net new money

CHF BN (6 MONTHS)	30.06.2018	30.06.2017	31.12.2017
Net new money	5.1	0.3	5.6

Headcount (full-time equivalents)

	30.06.2018	30.06.2017	31.12.2017	CHANGE IN % TO 31.12.2017
Number of employees Switzerland	1,370.8	1,315.5	1,353.8	1
Number of employees abroad	324.4	327.4	334.4	-3
Total number of employees	1,695.2	1,642.9	1,688.2	0

Vontobel

Broad-based growth and pleasing net profit in first half of 2018

The first few months of 2018 saw the return of volatility – and consequently a return to normality in the global financial markets. Increasing international trade barriers, growing geopolitical tensions and a slight slowdown in the global economy – with a simultaneous rise in inflation expectations – led to greater uncertainty in the markets. The demand for “secure” government bonds grew globally. At the same time, the yields on US Treasuries temporarily exceeded 3% as a result of a more restrictive US monetary policy and the value of the US dollar rose significantly. The tightening of the monetary reins in the US contrasts with the continued expansionary monetary policies of central banks in other industrialized nations. The US government’s plans to introduce new trade tariffs and the retaliatory measures announced by affected countries caused significant setbacks for emerging markets investments. Thanks to strong performance in April, however, global equity markets remained generally robust, finishing the first half of 2018 up 1.6% in local currencies. Large-cap Swiss equities, in particular, fell out of favor with investors (SMI –8%). Risk premiums on equities remained above the long-term average, demonstrating investor caution – especially among private investors, who continue to hold large cash positions.

The European finance industry is continuing to undergo structural changes and is faced with ever fiercer competition. The prolonged low interest rate environment and the trend towards passive investing are generally putting margins under pressure. In addition, providers operating in the area of wealth and asset management are having to make significant investments in client and compliance processes, in the adjustment of their product offering and in automation in response to the introduction of the global standard for the Automatic Exchange of Information (AEOI) on financial accounts as well as the rules set out in the Markets in Financial Instruments Directive (MiFID) II that have applied within the EU since January 2018.

For Vontobel as a globally active financial expert with Swiss roots that specializes in wealth management, active asset management and investment solutions, our forward-looking business model and our focus on our own strengths proved effective once again. In the first six months of 2018, we continued to systematically pursue our growth strategy, successfully expanded our client base in all divisions in our Swiss home market and internationally, and further developed our range of products and services. We also continued to demonstrate our considerable innovative strength.

In Investment Banking, for example, we launched cosmo-funding, our digital platform serving public sector clients seeking financing as well as institutional investors, and we issued the open-end certificate on bitcoin. Wealth Management further developed its “Vontobel Wealth” platform, allowing us to provide digital services that ideally complement our personal advisory offering. We are harnessing regulatory developments as well as the ongoing digital transformation to further enhance our client services and to implement a more future-oriented approach. With the acquisition of Notenstein La Roche Privatbank AG that was announced in May 2018, we have created a further pillar for future growth. From the second half of 2018, the acquisition will enable us to ideally supplement our above-average organic growth in the area of Wealth Management, to strengthen our presence in our home market through the addition of further locations, and to reinforce our position as one of the leading private banks in Switzerland.

In the first half of 2018, the high level of trust that clients place in Vontobel and our successful positioning in the market were reflected by the strong net inflow of new money of CHF 5.1 billion, strong organic growth in operating income of 13% to almost CHF 600 million, and pleasing net profit of CHF 132.7 million (earnings per share: CHF 2.28). Compared to the IFRS net profit of CHF 101.5 million in the first half of 2017, the result increased by 31%; taking the adjusted net profit of CHF 106.1 million for the prior-year period as the basis, the increase was 25%. The return on equity reached 15.1% on an annualized basis in the first half of 2018, significantly exceeding our present target of 12% and our current cost of capital of around 9%.

Vontobel had a very comfortable capital position as at the end of June 2018. The BIS total capital ratio was strong at 26.4% and the common equity tier 1 ratio (CET1 ratio) was 19.1%. This was achieved as a result of the issuance on June 29, 2018, of a 2.625% Additional Tier 1 (AT1) bond in the amount of CHF 450 million by Vontobel Holding AG, which led to a significant strengthening of the capital base. It also reflects the fact that the acquisition of Notenstein La Roche Privatbank AG was not completed until July 2, 2018, meaning that it will only be consolidated in Vontobel’s balance sheet and income statement in the second half of 2018. We therefore expect the total capital ratio to be around 18% and the CET1 ratio to reach a good 12% at the end of 2018. Both ratios will therefore significantly exceed the minimum requirements defined by FINMA of a total capital ratio of 12% and a CET1 ratio for category 3 banks – including Vontobel – of 7.8%.

Client assets reach new record level

Following the successful expansion of the business and the subsequent sustained net inflow of new money – and despite the slightly negative net impact of market and currency effects, as well as the elimination of assets relating to the Liechtenstein operation that was sold – total client assets grew by CHF 7.1 billion in the first six months of 2018, reaching a new record high of CHF 253.6 billion.

Total advised client assets – which consist of assets under management, other advised client assets and structured products – grew by 2% to CHF 191.2 billion compared to the end of 2017. Advised client assets are an important indicator for Vontobel in view of the significant value they generate; Vontobel provides advisory services and/or has discretionary management agreements in place for these assets. Other advised client assets also comprise assets acquired in the context of the cooperation with the Australian banking group ANZ; Vontobel provides advice on asset allocation to ANZ in respect of these assets. The volume of structured products outstanding rose by 9% to CHF 9.3 billion, confirming that Vontobel Financial Products has successfully positioned itself in its home market and in European markets. In Hong Kong, where Vontobel has been operating since fall 2017, sales of leverage products increased strongly.

In the finance industry, like in other sectors, there is a growing trend towards specialization, with companies sharpening the focus of their activities. Against this backdrop, Vontobel is seeing a growing demand for its global execution and global custody solutions. In February 2018, the 100th bank joined Vontobel's transaction banking platform and the number of banks it serves had already reached 110 by mid-2018. The pleasing development of this business is reflected by the 4% increase in custody assets to CHF 62.3 billion at the end of June 2018

Client assets

CHF BN	30.06.2018	30.06.2017	31.12.2017
Assets under management	168.6	146.5	165.3
Other advised client assets	13.4	11.0	12.8
Structured products outstanding	9.3	7.2	8.5
Total advised client assets	191.2	164.7	186.6
Custody assets	62.3	43.0	59.9
Total client assets	253.6	207.7	246.5

The volume of assets under management entrusted to Vontobel rose to its highest ever level of CHF 168.6 billion at the end of June 2018. In Combined Wealth Management (i.e. Wealth Management and the External Asset Managers business), assets grew slightly to CHF 54.9 billion in the first half of 2018, a net increase of 2% due primarily to the sustained inflow of new money and despite the elimination of CHF 1.4 billion of assets under management due to the sale of the Liechtenstein operation to Kaiser Partner Privatbank.

On the institutional side, assets under management also rose by 1% to CHF 115.6 billion, reflecting the positive impact of the good inflow of new money, while the effects of currency shifts and market movements somewhat dampened the growth in assets under management – despite satisfactory relative performance.

Development of assets under management

CHF BN	30.06.2018	30.06.2017	31.12.2017
Combined Wealth Management	54.9	48.5	54.0
<i>Wealth Management</i>	<i>44.3</i>	<i>39.8</i>	<i>44.0</i>
<i>External Asset Managers</i>	<i>10.5</i>	<i>8.7</i>	<i>10.0</i>
Institutional clients	115.6	100.9	114.1
<i>Asset Management¹</i>	<i>112.3</i>	<i>97.2</i>	<i>110.3</i>
<i>Investment Banking²</i>	<i>3.3</i>	<i>3.7</i>	<i>3.8</i>
Corporate Center³	-1.9	-2.9	-2.8
Total assets under management	168.6	146.5	165.3

1 Including intermediaries

2 Excluding External Asset Managers

3 Assets under management that are managed on behalf of other segments.

Growth in new money slightly above 4–6% target range

The needs of all our clients are at the center of our business philosophy and actions, as evidenced by our employees consistent focus on delivering service and performance. Our efforts to put this philosophy into practice and our continued investments in growth and in an efficient sales structure at a global and product-oriented level are bearing fruit. As a result, Vontobel once again delivered very respectable growth in new money of 6.2% on an annualized basis in the first half of 2018, exceeding our target range of 4–6%.

Building on its existing activities, Combined Wealth Management (Wealth Management and the External Asset Managers business) acquired CHF 1.7 billion of net new money. This corresponds to annualized growth in net new money of 6.4% and is therefore above the target range of 4–6%. The net inflow of new money in Wealth Management totaled CHF 1.3 billion – corresponding to growth in net new money of 5.7%. The External Asset Managers business delivered annualized growth in net new money of 9.3%, acquiring net assets of CHF 0.5 billion.

Asset Management generated net new money of CHF 3.8 billion, corresponding to an annualized growth rate of 7.2%, which was also above our target range of 4–6% and exceeded market growth. Significant inflows were generated in particular by fixed income products – especially the successful products of TwentyFour Asset Management, which are continuing to experience strong growth, as well as by the Vescore and Sustainable & Thematic Investing boutiques. The investment business with Raiffeisen also made a positive contribution to new money.

Development of net new money

CHF BN (6 MONTHS)	30.06.2018	30.06.2017	31.12.2017
Combined Wealth Management	1.7	1.6	0.6
<i>Wealth Management</i>	<i>1.3</i>	<i>1.0</i>	<i>0.0</i>
<i>External Asset Managers</i>	<i>0.5</i>	<i>0.6</i>	<i>0.6</i>
Institutional clients	3.3	–1.3	5.1
<i>Asset Management</i> ¹	<i>3.8</i>	<i>–1.7</i>	<i>5.3</i>
<i>Investment Banking</i> ²	<i>–0.5</i>	<i>0.4</i>	<i>–0.2</i>
Corporate Center ³	0.1	0.0	–0.1
Total net new money	5.1	0.3	5.6

1 Including intermediaries

2 Excluding External Asset Managers

3 Net new money from assets that are managed on behalf of other segments.

The changes in the structure of assets by investment category observed in recent years reflect the systematic diversification of the boutiques within Asset Management, among other factors. The successful international expansion of the Fixed Income business is demonstrated by the growing proportion of fixed income securities, which increased by a further percentage point during the period under review, while the weighting of foreign equities declined slightly. Liquid assets and fiduciary investments continued to account for 10% of assets under management.

Assets under management by investment category

IN %	30.06.2018	30.06.2017	31.12.2017
Swiss equities	13	14	13
Foreign equities	36	37	37
Bonds	34	31	33
Alternative investments	2	3	2
Liquid assets, fiduciary investments	10	11	10
Other ¹	5	4	5

1 Including structured products

Our investment expertise is geared towards our international client base – as reflected by our broadly diversified allocation of assets under management in terms of currencies. In the first half of 2018, the proportion of investments in Swiss francs declined slightly to 24%, while the proportion of investments in euro, US dollars and British pounds remained stable. In contrast, the proportion of investments in other currencies (mainly the Indian rupee and the Hong Kong dollar) grew slightly.

Assets under management by currency

IN %	30.06.2018	30.06.2017	31.12.2017
CHF	24	26	25
EUR	24	22	24
USD	29	30	29
GBP	8	8	8
Other	15	14	14

High level of investment in technology – improved profitability

In the first half of 2018, Vontobel once again made significant investments in new markets, talent, technologies and its brand presence and delivered a pleasing result despite these growth measures. IFRS net profit totaled CHF 132.7 million in the first half of 2018, an increase of 31% compared to the IFRS result and of 25% compared to the adjusted result for the first half of 2017. Net profit for the first half of 2017 of CHF 101.5 million included Vescore integration costs of CHF 4.6 million after taxes. Adjusted for this exceptional impact, the result for the prior-year period totaled CHF 106.1 million.

In recent years, Vontobel has successfully transformed itself from a financial institution that focused predominantly on the Swiss market into an established and globally active wealth and asset manager.

This is demonstrated not only by our international client base and the balanced structure of assets under management in terms of currencies but also by the significant contribution from fee and commission income, which accounted for almost two-thirds of Vontobel's growing operating income that rose to CHF 583.3 million (+13%) in the period under review. Commission income increased by 13% to CHF 378.5 million due to higher average assets under management in the period under review. Advisory and management fees rose by 21% to CHF 323.7 million, and custody fees also rose by 21% to CHF 93.8 million.

The continued wait-and-see attitude of many investors, as well as the impact of MiFID II, were reflected by lower brokerage fees – also part of net commission income – which declined 12% to CHF 52.4 million.

The 16% increase in trading income to CHF 166.3 million was attributable to generally very strong demand for structured products – especially in the first quarter of 2018, a further improvement in market positioning in Switzerland and internationally, and the growing shift to the platform business. Vontobel's trading income mainly comprises income from the issuing, hedging and market making of structured products and warrants – represented by the total of "Securities" and "Other financial instruments at fair value". The first-time application of IFRS 9 (Financial Instruments) had no impact on the recognition of trading income, since Vontobel is continuing to recognize the impact of the change in own credit risk due to an accounting mismatch through profit or loss.

In the first half of 2018, activities related to the structured products and derivatives business contributed CHF 147.4 million (+11%) to trading income. Income from forex and precious metals trading increased by 82% to CHF 18.9 million compared to the first half of 2017.

Managing the bank's balance sheet while maintaining a conservative risk profile is especially challenging in a prolonged period of low interest rates. As a result of active and systematic treasury management as well as increased loans to clients, net interest income increased slightly (+8%) to CHF 37.4 million. Other income declined by 77% to CHF 1.3 million due to the non-recurrence of income from the sale of financial instruments.

Operating expense grew at a lower rate than income (+7%) to CHF 422.4 million. Personnel expense – the largest cost component – rose by 6% to CHF 276.6 million. At the end of June 2018, Vontobel employed 1,695 full-time equivalents, an increase of 7 from the end of 2017.

As a result of various digitization initiatives and the expansion of the business, general expense rose by 9% to CHF 111.3 million. This increase mainly reflects higher expenses for travel and representation, public relations and marketing, consulting and audit fees, and other general expense.

Reflecting the accelerated pace of capital expenditure, depreciation of property, equipment and intangible assets rose by 8% to CHF 32.1 million, as planned. During the period under review, Vontobel's capital expenditure on property, equipment and intangible assets totaled CHF 23.0 million, an increase of 6% compared to the first half of 2017 but significantly less than in the second half of 2017. Various digitization projects across all divisions, including initiatives relating to the implementation of MiFID II, were the main areas of capital expenditure.

Capital expenditure and depreciation

CHF MN (6 MONTHS)	30.06.2018	30.06.2017	31.12.2017
Capital expenditure	23.0	21.8	53.5
Depreciation	32.1	29.7	31.3

Structure of the income statement

(6 MONTHS)	30.06.2018 CHF MN	30.06.2018 IN % ¹	30.06.2017 IN % ¹	31.12.2017 IN % ¹
Net interest income after credit losses	37.2	6	7	6
Net fee and commission income	378.5	65	64	66
Trading income	166.3	29	28	27
Other income	1.3	0	1	1
Total operating income	583.3	100	100	100
Personnel expense	276.6	47	50	50
General expense	111.3	19	20	19
Depreciation of property, equipment and intangible assets	32.1	6	6	6
Provisions and losses	2.4	0	0	0
Total operating expense	422.4	72	76	75
Taxes	28.2	5	4	5
Group net profit	132.7	23	20	20

1 Share of operating income

The broadening of the operating income base combined with rigorous cost management led to a significant increase in operating efficiency in the first half of 2018. This resulted in a 4.1 percentage point improvement in the cost/income ratio to 72.0%, significantly exceeding the current mid-term target ratio of less than 75%.

IFRS net profit before taxes increased by 31% to CHF 160.9 million. The tax charge increased by almost the same rate (+34%) to CHF 28.2 million. This resulted in a tax rate of 17.5%, compared to 17.1% in the prior-year period. IFRS net profit after taxes and minority interests rose by 29% to CHF 127.7 million. Earnings per share totaled CHF 2.28, an increase of 28%.

As a wealth and asset manager with an international client structure and strong roots in its Swiss home market, Vontobel continues to be systemically affected by the strong Swiss franc, like companies in the Swiss export industry.

There were no significant shifts in the currency composition of the income statement in the period under review. The stronger US dollar accounted for a slightly larger proportion of income in the first half of 2018, while the proportion in Swiss francs declined. On the cost side, there was a further reduction in the proportion of costs generated in US dollars. As a result, 43% of income and 77% of operating expense at Vontobel were generated in Swiss francs. The US dollar remained the second most important currency, accounting for 30% of income and 9% of operating expense. This was followed by the euro, with 16% of income and 8% of costs.

Structure of income statement by currency

IN %	30.06.2018	30.06.2017	31.12.2017
Operating income			
CHF	43	46	44
EUR	16	16	17
USD	30	28	29
GBP	6	5	5
Other	5	5	5
Operating expense			
CHF	77	78	77
EUR	8	8	8
USD	9	10	10
GBP	4	3	3
Other	2	1	2

Strong growth in profit in Combined Wealth Management and Asset Management – Financial Products delivers stable profit contribution

Segment profits before taxes

CHF MN (6 MONTHS)	30.06.2018	30.06.2017	31.12.2017
Wealth Management	42.4	27.1	33.4
Asset Management	92.5	69.5	93.4
Investment Banking	65.7	62.8	49.3
of which External Asset Managers	13.8	11.3	11.7
Corporate Center	-39.8	-36.9	-39.2
Total	160.9	122.5	136.8

In Wealth Management, the business model has been selectively expanded in recent years – primarily through organic growth but also through acquisitions – and its focus has been sharpened. In the second half of 2017, the Eastern European client portfolio of Notenstein La Roche was acquired with a volume of around CHF 2 billion of assets and a contractual agreement was reached for the transfer of our Liechtenstein operation, together with CHF 1.4 billion of clients assets, to Kaiser Partner Privatbank – with the transaction only being booked in the first half of 2018. The systematic client focus and ongoing enhancement of the advisory process in Vontobel Wealth Management are reflected by the continued growth in advised client assets. In addition, in the first half of 2018, operating income rose by 17% and pre-tax profit increased by 56%. The integration of Notenstein La Roche Privatbank AG in the second half of 2018 is expected to generate significant positive momentum from 2019 at the latest.

The positioning of Asset Management as a high-conviction manager and the diversification strategy introduced some time ago are continuing to prove successful. The achievement of impressive investment performance shows that we are on the right path. In the first half of 2018, renowned rating agencies presented us with more than 30 awards. The Asset Management division was once again the main earnings driver at Vontobel, with its pre-tax profit contribution growing by 33% compared to the prior-year period to CHF 92.5 million.

The Financial Products business in Investment Banking has, for years, displayed a high level of innovation while maintaining its close proximity to clients. It has successfully established itself as one of the leading providers of structured products and derivatives in Europe. Its activities have also developed very successfully in Hong Kong – the world's largest market for leverage products, where Vontobel has been operating since fall 2017. In the first half of 2018, Investment Banking delivered a 5% increase in pre-tax profit to CHF 65.7 million, reflecting the successful positioning of Financial Products and the harnessing of economies of scale, as well as the expansion of the External Asset Managers and Transaction Banking businesses. Corporate Finance advised on some important transactions in the Swiss capital market but saw volumes decline significantly from the exceptionally high level in the previous year. Vontobel Brokerage also experienced a decline in income due to the implementation of MiFID II.

Wealth & Asset Management (Wealth Management, Asset Management, External Asset Managers business) accounted for 74% of the pre-tax profit generated by the divisions. This large proportion reflects Vontobel's clear positioning as a wealth and asset manager. Financial Products (Investment Banking excluding the External Asset Managers business) contributed 26% of pre-tax profit (excluding the Corporate Center) in the period under review.

The result for the Corporate Center decreased by 8% to CHF -39.8 million compared to the prior-year period, mainly due to reduced gains from the sale of financial instruments. In the second half of 2018 and in the financial year 2019, the result will be further impacted by costs related to the integration of Notenstein La Roche Privatbank AG.

Conservative risk management

Vontobel remains committed to a conservative risk management approach. Due to the strong increase in volatility, particularly in the first quarter of 2018, average Value at Risk in the Financial Products business increased strongly from CHF 2.5 million in the first half of 2017 to CHF 4.6 million in the period under review. It should be noted in this context that Vontobel has not relaxed its risk profile or limit system; instead, the marked increase in Value at Risk reflects developments in the financial markets. In the first half of 2018, Value at Risk was in fact significantly impacted by equity components, followed by interest rate and commodities components. The impact of currencies was marginal.

Value at Risk (VaR) for the positions in the Financial Products division

CHF MN	30.06.2018	30.06.2017	31.12.2017
Equities	3.2	1.5	1.2
Interest rates	1.2	1.2	1.2
Currencies	0.5	0.9	1.3
Commodities	1.1	0.8	0.9
Diversification effect	-1.5	-1.9	-2.1
Total	4.6	2.5	2.5

Average Value at Risk (6 months) for positions in the Financial Products business unit of the Investment Banking division. Historical simulation of Value at Risk; 99% confidence level; 1-day holding period; 4-year historical observation period.

Continued comfortable capital position – even after the acquisition of Notenstein La Roche

Vontobel continues to have a solid capital position that significantly exceeds regulatory minimum requirements, even after the acquisition of Notenstein La Roche Privatbank AG. The purchase of Notenstein La Roche Privatbank AG was funded by Vontobel using own equity and through the successful placement of a 2.625% Additional Tier 1 (AT1) bond in the amount of CHF 450 million. This financing structure ensures Vontobel has the flexibility to fund further growth in the future. At June 30, 2018, the BIS common equity tier 1 ratio (CET1 ratio) was strong at 19.1% and the BIS total capital ratio was 26.4%. Since the Notenstein La Roche transaction was completed on July 2, 2018 – i.e. two days after the balance sheet date – we expect the BIS CET1 ratio to reach a good 12% and the total capital ratio to be around 18% at the end of 2018.

The first-time application of IFRS 9 (Financial Instruments) led to several reclassifications and remeasurements in the balance sheet, particularly in respect of financial instruments. Further information is provided in the section “Changes due to IFRS 9”, pages 42 ff.

Vontobel reported shareholders' equity of CHF 1.7 billion according to IFRS at June 30, 2018, an increase of 4% compared to the end of 2017. Vontobel's very solid capital position is reflected by its equity ratio of 7.0% and a leverage ratio under Basel III of 6.7%. Furthermore, Vontobel's balance sheet can be described as highly liquid, since its Liquidity Coverage Ratio averaged 202.8% for the period under review and thus significantly exceeded the minimum requirement of 90% defined by FINMA for 2018.

Total assets grew by 5% to CHF 24.0 billion in the period under review. On the liabilities side of the balance sheet, client deposits were almost unchanged at CHF 9.8 billion. Liabilities arising from the structured products business increased by 9% from CHF 8.5 billion to CHF 9.3 billion due to the successful expansion of the business. As a result, hedging positions for this business increased on the asset side of the balance sheet. This was reflected, among other things, by a 22% increase in “Other financial assets at fair value” to CHF 4.2 billion, while trading portfolio assets decreased by -13% to CHF 3.5 billion. Loans to clients rose by almost CHF 1 billion or 30% to CHF 4.3 billion.

Allocation of regulatory capital required (BIS) as of 30 June 2018

CHF MN	CREDIT RISKS	MARKET RISKS	OPERATIONAL RISKS	GOODWILL ETC.	TOTAL
Wealth Management	43.3	0.0	37.4	89.8	170.5
Asset Management	10.2	0.0	65.1	194.7	270.0
Investment Banking	38.8	155.5	42.7	5.7	242.7
Corporate Center	32.4	61.2	5.1	0.0	98.7
Total	124.7	216.7	150.3	290.2	781.9

Of the total regulatory capital of CHF 781.9 million (December 31, 2017: CHF 766.9 million) required under BIS rules, i.e. on the basis of 8% of risk weighted assets and after the

required deductions from core capital, 35% was allocated to Asset Management, 31% to Investment Banking and 22% to Wealth Management.

95% of client assets come from Swiss home market and international focus markets Client assets by client domicile as of 30 June 2018

CHF BN	ASSETS UNDER MANAGEMENT	OTHER ADVISED CLIENT ASSETS	STRUCTURED PRODUCTS OUTSTANDING	TOTAL ADVISED CLIENT ASSETS	CUSTODY ASSETS	TOTAL CLIENT ASSETS
Home market	69.4	0.4	7.4	77.2	61.9	139.1
<i>Switzerland¹</i>	<i>69.4</i>	<i>0.4</i>	<i>7.4</i>	<i>77.2</i>	<i>61.9</i>	<i>139.1</i>
Focus markets	86.6	12.8	1.9	101.3	0.1	101.3
<i>Germany</i>	<i>16.1</i>	<i>5.5</i>	<i>1.9</i>	<i>23.5</i>	<i>0.0</i>	<i>23.5</i>
<i>Italy</i>	<i>10.4</i>	<i>0.0</i>	<i>0.0</i>	<i>10.4</i>	<i>0.0</i>	<i>10.4</i>
<i>UK</i>	<i>18.4</i>	<i>0.0</i>	<i>0.0</i>	<i>18.4</i>	<i>0.0</i>	<i>18.4</i>
<i>US</i>	<i>20.8</i>	<i>0.0</i>	<i>0.0</i>	<i>20.8</i>	<i>0.0</i>	<i>20.8</i>
<i>Emerging Markets²</i>	<i>20.9</i>	<i>7.3</i>	<i>0.0</i>	<i>28.2</i>	<i>0.1</i>	<i>28.2</i>
Other markets	12.6	0.2	0.0	12.7	0.4	13.1
Total client assets	168.6	13.4	9.3	191.2	62.3	253.6

1 Including Liechtenstein

2 Asia Pacific region, CEE, LATAM, Middle East, Africa

Vontobel's successful business expansion is also reflected by the growth of its asset base over the last five years. Since mid-2014, total client assets have increased by 47%, mainly driven by organic growth with the acquisition of significant new money and above-average investment performance. In this context, the international client base expanded somewhat more rapidly than the client base in Vontobel's home market of Switzerland. As at mid-2018, 55% of client assets comprise the assets of clients domiciled in Switzerland, underscoring the high level of confidence that clients in our home market have in Vontobel's expertise and financial solidity.

The integration of Notenstein La Roche Privatbank AG in the second half of 2018 will further strengthen our position in Switzerland. Today, 95% of client assets come from the Swiss market and Vontobel's focus markets.

Strategic priorities

Based on Vontobel's client-driven and long-term oriented strategy as an internationally active specialist in wealth and asset management that is dedicated to growth and innovation, the Board of Directors and Executive Board of Vontobel defined five strategic priorities in 2017 for the next three years:

- A great client experience has become essential to meet the expectations of clients. The first strategic priority is therefore to **deliver the unique Vontobel experience**. In this way, we will generate superior value for clients and create a stronger emotional connection to the brand.
- **Empower people** is the second strategic priority that has been defined. An ownership mindset forms the backbone of Vontobel's culture. Through various initiatives, we want to empower and foster entrepreneurship among our employees.
- Our third strategic priority is to **create brand excitement** among our clients. We have sharpened our corporate profile and we introduced a new corporate design in September 2017 to strengthen our positioning and further increase the attractiveness of the Vontobel brand.
- Our fourth strategic priority is to **boost growth and market share**. We are thus remaining true to the principle of pursuing an organic growth strategy, driving growth initiatives across all business units in Switzerland and internationally. At the same time, a disciplined M&A approach will complement our targeted organic growth.
- **Driving efficiency** is the fifth strategic priority. We want to transform top-line growth into superior bottom-line growth through tight cost management and by streamlining processes to achieve economies of scale. Vontobel operates in international markets, where we are subject to increasing regulations and where products are growing more complex in response to rising client expectations. Our global platform strategy is the key to efficiently managing this complexity: With our state-of-the-art infrastructure, we create high-quality products and services centrally in Switzerland and distribute them globally. Vontobel's efficient IT infrastructure allows for a high degree of automation that exceeds 99%. Since we completely renewed our core banking platform system in the last decade, our resources can now be

allocated to digital innovation in order to deliver greater benefits for clients as well as further efficiency gains.

Increased profitability targets for 2020 take account of positive impacts of acquisition of Notenstein La Roche Privatbank AG

Building on these strategic priorities, the Board of Directors and Executive Board have defined ambitious targets for growth, profitability, capital and dividends for 2020. In summer 2018, the profitability targets for Vontobel and Combined Wealth Management were increased to take account of the positive impacts that the acquisition of Notenstein La Roche Privatbank is expected to have on profitability.

In specific terms, this means **Vontobel** wants to:

- **Outgrow the market** in all core activities with top-line growth and net new money growth of 4–6% , excluding market performance effects
- Generate a higher **return on equity** of more than 14%, (original target: more than 12%), clearly exceeding the cost of capital; achieve a **cost/income ratio** of less than 72% (original target: less than 75%)
- Maintain a very strong **capital position** with a CET1 capital ratio of more than 12% and a total capital ratio of more than 16%
- Distribute profits not used for organic growth and M&A to shareholders, with a target **payout ratio** of more than 50% for shareholders

- **Combined Wealth Management:** Capture high-growth markets, drive innovation through technology and further enhance the client experience with investment-led content and client-specific solutions

2020 targets: Outgrow the market with net new money growth of 4–6%; protect a gross margin of more than 68 basis points (previously 65 basis points); ensure profitable growth with a cost/income ratio of less than 70 % (previously 75%)

- **Asset Management:** High-conviction asset management translates into an outstanding product offering. Leverage market trends such as innovative investment solutions and digitization as well as our own global distribution network to reach all relevant client segments

2020 targets: Continue to outgrow the market with 4–6% net new money growth, protect a gross margin of more than 40 basis points; ensure profitable growth with a cost/income ratio of less than 65%

- **Financial Products:** Drive future growth through international expansion, with entry into new markets in APAC and growth of existing market share in Europe, and continue state-of-the-art digital innovation to become a leading provider of structured products and derivatives globally

2020 targets: Grow operating income to more than CHF 300 million; ensure profitable growth with a cost/income ratio of less than 65%

Targets 2020

Top-line growth¹	
Total operating income	4–6%
Net new money generation	
Net new money growth	4–6%
Earnings power	
Return on equity (ROE)	new >14%
Efficiency	
Cost/income ratio	new <72%
Capital strength	
Tier 1 capital ratio (CET1)	>12%
Total capital ratio	>16%
Dividend	
Payout ratio	>50%

1 Excluding market performance

Wealth Management

Vontobel has actively shaped Wealth Management in recent years with a focus on achieving organic growth. At the same time, it was always ready to consider acquisitions, such as the takeover of Finter Bank in 2015 or the acquisition of the Eastern European portfolio of Notenstein La Roche with around CHF 2 billion of assets in 2017. All of these efforts always centered on the interests of clients. This strategy has proved effective, resulting in record client assets and strong profit growth in the first half of 2018.

In May 2018, Vontobel was also able to announce the acquisition of Notenstein La Roche Privatbank AG and the transaction was successfully completed in July 2018. The client portfolio of Notenstein La Roche comprises around CHF 16.5 billion of client assets, of which around 90% will be managed in Wealth Management. The remaining assets will be managed by External Asset Managers (EAM). By acquiring Notenstein La Roche, Vontobel is expanding its portfolio of wealthy clients that is already experiencing good organic growth. It is also strengthening its presence in its home market with the additional locations served by Notenstein La Roche and is underscoring its position as one of the leading private banks in Switzerland. Notenstein La Roche was consolidated with effect from July 2018.

Managed client assets grew 1% in the first half of 2018, even though CHF 1.4 billion of managed client assets in Liechtenstein were sold as part of the focusing of the business. The increase in assets was driven by strong annualized growth in net new money of 5.7%. As a result of the record client assets, we succeeded in increasing our operating income to CHF 154.9 million (+17%). Reflecting strict cost discipline and ongoing digitization – and despite significant capital expenditure – operating expense grew by only 7%. As a result, Wealth Management delivered a significant increase in pre-tax profit to CHF 42.4 million (+56%) in the first half of 2018. This result is also reflected by the cost/income ratio, which improved from 79.3% in the first half of 2017 to 72.5% in the first half of 2018.

We measure the quality of our services from various perspectives – with the clearest indicators being the achievement of a high level of client satisfaction and the generation of above-average inflows of assets in recent years relative to our peers. Our strong investment expertise is shown by the impressive performance of our advisory and discretionary management mandates, as well as our extensive knowledge in the area of Swiss equities, supplemented by the targeted launch of thematic investments. Investments in family-run companies have proved to be a particularly strong driver of performance, combined with investments in disruptive e-commerce and e-sports

stocks. Our digital solution “Vontobel Wealth” is today a pioneering offering in a peer group comparison. We want to defend this competitive advantage and will therefore continuously develop our digital channel in the future.

At Vontobel, we see changes as a source of opportunity and harness them for the benefit of our clients wherever possible. We have therefore implemented wide-ranging regulatory requirements such as MiFID II and the Automatic Exchange of Information fully on schedule. We have used these regulatory developments as well as the ongoing digital transformation as a means of further enhancing our client services and of implementing a more future-oriented approach. These efforts center on an advisory process that is based more strongly on a personal dialogue with clients and allows us to address their individual needs and specific goals even more effectively. To support this approach, we also completely revised our product and service offering. The development of our innovative and proprietary Vontobel 3-alpha-Investment Philosophy® in the area of Wealth Management is one of the core components of these measures. The focus here is on delivering greater client benefits, on streamlining and making more flexible use of the product range, and on further improving transparency – especially with regard to fees. With these new products, we are of course meeting current and emerging regulatory requirements. As part of our digitization strategy, we also further developed our “Vontobel Wealth” platform with the aim of providing digital services to ideally complement the personal advice offered to clients by our relationship managers.

Vontobel Wealth Management has been actively managing client assets with foresight for decades and aspires to be the leading Swiss wealth manager. We pursue a holistic approach that centers on our clients and their assets. We consider it important to ensure continuity in our advisory services. This forms the foundations for a long-term business relationship with our clients. Our offering encompasses a wide variety of services – from portfolio management and active investment advisory to integrated financial advice, financial planning and financing solutions. Vontobel's business model also allows our private clients to access the proven expertise of our Asset Management and Investment Banking divisions. Vontobel Wealth Management has a presence in Zurich, Basel, Berne, Chur, Geneva, Lausanne, Locarno, Lugano, Lucerne, Olten, Schaffhausen, St. Gallen, Winterthur, Munich, Hamburg und Hong Kong. It is also present in New York through its SEC-registered company Vontobel Swiss Wealth Advisors AG.

Segment results

(6 MONTHS)	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE TO 30.06.2017	
				CHF MN	IN %
Net interest income after credit losses	25.6	15.9	22.6	9.7	61
Net fee and commission income	119.3	106.6	108.6	12.7	12
Trading income and other operating income	10.0	9.4	9.3	0.6	6
Total operating income	154.9	131.9	140.5	23.0	17
Personnel expense	61.3	55.4	57.7	5.9	11
General expense	7.7	7.7	9.4	0.0	0
Services from/to other segment(s)	40.8	40.0	37.9	0.8	2
Depreciation of property, equipment and intangible assets	2.4	1.5	1.7	0.9	60
Provisions and losses	0.3	0.2	0.4	0.1	50
Total operating expense	112.5	104.8	107.1	7.7	7
Segment profit before taxes	42.4	27.1	33.4	15.3	56

Key figures

IN %	30.06.2018	30.06.2017	31.12.2017
Cost ¹ /income ratio	72.5	79.3	75.9
Change of assets under management	0.8	2.1	10.6
of which net new money	2.9	2.6	0.0
of which change in market value	1.1	0.8	5.6
of which other effects ²	-3.2	-1.3	5.0
Operating income/ average assets under management (bp) ^{3,4}	70	67	67
Profit before taxes/ average assets under management (bp) ^{3,4}	19	14	16

Client assets

	30.06.2018 CHF BN	30.06.2017 CHF BN	31.12.2017 CHF BN	CHANGE TO 31.12.2017	
				CHF BN	IN %
Assets under management	44.3	39.8	44.0	0.3	1
Other advised client assets	1.5	1.4	1.8	-0.3	-17
Total advised client assets	45.9	41.2	45.8	0.1	0
Average assets under management ⁴	44.1	39.4	41.7	2.4	6

Net new money

CHF BN (6 MONTHS)	30.06.2018	30.06.2017	31.12.2017
Net new money	1.3	1.0	0.0

Personnel

	30.06.2018	30.06.2017	31.12.2017	CHANGE TO 31.12.2017	
					IN %
Employees (full-time equivalents)	397.0	390.3	408.2	-11.2	-3
of which relationship managers	196.5	186.4	202.4	-5.9	-3

1 Operating expense excl. provisions and losses

2 As of 30.06.2018: Sale of the Liechtenstein operation in February 2018

As of 30.06.2017: The decrease in assets under management reflects the reclassification of certain assets (CHF 0.5 bn) that are not held for investment purposes.

As of 31.12.2017: Acquisition of the Eastern European client portfolio of Notenstein La Roche in December 2017

3 Annualized

4 Calculation based on average values for individual months

Asset Management

The combination of Vontobel's positioning as a high-conviction asset manager and its targeted diversification strategy is continuing to prove successful. In the first half of 2018, advised client assets grew compared to the prior-year period, reaching a new record level of CHF 124.2 billion. At 7.2%, the annualized growth in net new money exceeded our target range of 4–6% and was also above the market average. Inflows were broadly diversified across Equities, Fixed Income and Multi Asset strategies. A proportion of inflows originated from our investment business with Raiffeisen. The impressive quality of our products also contributed to the growth in assets. Our range of sustainable investments is one area of focus of our growth strategy. Advised client assets totaled CHF 15 billion and these strategies attracted more than CHF 1 billion of new money during the second quarter.

In the first half of 2018, the impressive investment performance and quality of our products were recognized by renowned rating agencies, which presented us with more than 30 awards. Reflecting our active management approach, many of our investment funds have a 4- or 5-star rating from Morningstar. This is especially important for future growth, since experience has shown that funds with 4 or 5 stars attract the most new money. Alongside Morningstar, other rating agencies also recognized our investment funds, with Lipper naming Vontobel the leading provider in the categories "Emerging Markets Equity", "Commodities" and "Mixed Asset CHF Balanced" in four European countries. In addition, our expertise was recognized at the UK Pension Awards ceremony in London, where Vontobel was named "Emerging Markets Manager of the Year" in view of the performance of our mtX Sustainable Leaders and Emerging Markets Debt strategies. Our TwentyFour Asset Management boutique in London was named "Specialist Fixed Income Group of the Year" for the third time in succession and it received a Performance Award for its Unconstrained Fixed Income and UK Fixed Income strategies. In the Capital Fonds-Kompass 2018 awards, Vontobel Asset Management was named as one of the top fund providers in Germany.

The gross margin in Asset Management stabilized after declining in recent years due, in particular, to the more diversified business model and the resulting changes in the composition of assets. Its good margin reflects the broad diversification of our products across Equities, Fixed Income, Multi Asset and quantitative strategies for institutional and fund clients.

As a result of the systematic execution of our growth strategy, we delivered a significant increase in operating income to CHF 234.8 million in the first half of 2018, up 16% from CHF 201.7 million in the first half of 2017. Despite capital expenditure, operating expense grew at a much lower rate (+8%) than income. This resulted in a higher segment result of CHF 92.5 million or a 33% increase in profit compared to the prior-year period. With its substantial profit contribution, Asset Management was once again the main earnings driver at Vontobel.

We want to pursue our successful growth strategy as a high-conviction asset manager in the future. Consequently, we retain our portfolio managers through our long-term compensation system, under which employees receive part of their bonus in the form of blocked shares. To further strengthen their loyalty to their own products and to ensure an even closer alignment with the interests of our clients, some portfolio managers are subject to variable compensation agreements. Under the terms of those agreements, a proportion of compensation is linked to the investment performance of the funds managed by the portfolio managers and is only paid out after a period of three years.

As an active asset manager, the division creates financial value for clients. To achieve this, it develops first-class solutions to optimize returns and manage risk. Asset Management is positioned as a multi-boutique provider that focuses on the following areas: Quality Growth Equities, Sustainable and Thematic Investing, Fixed Income, TwentyFour Asset Management, Multi Asset and Vescore. Each boutique is run as an independent center of expertise. The Asset Management division has a presence in Zurich, Basel, Berne, Geneva, St. Gallen, New York, Frankfurt, London, Luxembourg, Madrid, Milan, Munich, Hong Kong and Sydney.

Segment results

(6 MONTHS)	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE TO 30.06.2017	
				CHF MN	IN %
Net interest income after credit losses	0.2	0.1	0.0	0.1	100
Net fee and commission income	234.9	200.2	231.6	34.7	17
Trading income and other operating income	-0.4	1.4	1.6	-1.8	
Total operating income	234.8	201.7	233.2	33.1	16
Personnel expense	88.7	82.3	89.9	6.4	8
General expense	26.3	21.9	21.7	4.4	20
Services from/to other segment(s)	22.5	25.4	24.1	-2.9	-11
Depreciation of property, equipment and intangible assets	4.1	2.5	4.0	1.6	64
Provisions and losses	0.7	0.1	0.1	0.6	600
Total operating expense	142.3	132.2	139.8	10.1	8
Segment profit before taxes	92.5	69.5	93.4	23.0	33

Key figures

IN %	30.06.2018	30.06.2017	31.12.2017
Cost ¹ /income ratio	60.3	65.5	59.9
Change of assets under management ²	2.8	6.4	13.8
of which net new money	3.6	-1.9	5.5
of which change in market value	-1.3	8.3	8.3
of which other effects ³	0.5	0.0	0.0
Operating income/average assets under management (bp) ^{4,5}	42	43	45
Profit before taxes/average assets under management (bp) ^{4,5}	16	15	18

Client assets

	30.06.2018 CHF BN	30.06.2017 CHF BN	31.12.2017 CHF BN	CHANGE TO 31.12.2017	
				CHF BN	IN %
Assets under management	112.3	97.2	110.3	2.0	2
of which Vontobel funds	29.7	22.7	28.7	1.0	3
of which managed on behalf of other segments	1.9	2.9	2.8	-0.9	-32
Other advised client assets	11.9	9.6	11.0	0.9	8
Total advised client assets	124.2	106.8	121.3	2.9	2
Average assets under management ⁵	112.2	94.8	104.7	7.5	7

Net new money

CHF BN (6 MONTHS)	30.06.2018	30.06.2017	31.12.2017
Net new money	3.8	-1.7	5.3

Personnel

	30.06.2018	30.06.2017	31.12.2017	CHANGE TO 31.12.2017	
					IN %
Employees (full-time equivalents)	406.4	398.5	404.9	1.5	0

1 Operating expense excl. provisions and losses

2 Adjusted for assets that are managed on behalf of other segments

3 Reclassification due to the sale of Bank Vontobel (Liechtenstein) AG

4 Annualized

5 Calculation based on average values for individual months

Investment Banking

Vontobel is one of the world's leading providers of structured investment products and leverage products, with a market share of over 11% in Europe and 31% in our Swiss home market, measured in terms of the exchange-traded volume in the target segment. As a forward-looking issuer that is close to its clients, Vontobel offers investors a broad investment universe with more than 290,000 issued products spanning many geographical regions and risk classes. The international expansion of Financial Products is advancing rapidly. We have been operating successfully in Germany and the Nordic market for a number of years. We entered the Italian market in 2016 and made our market debut in the Netherlands and France and on the Hong Kong stock exchange – one of the world's largest markets in terms of trading volumes – in 2017. Our entry into the Danish market is planned for 2018. In addition to several new markets, we are mainly focused on expanding our activities in our existing markets.

In the first six months of 2018, clients around the world traded a total of CHF 24.0 billion of Vontobel products. Growth was driven mainly by Asia, where the volume increased to CHF 11.1 billion. Our performance in Hong Kong thus continued to exceed our expectations in the first half of 2018. Growth excluding Asia was 7%, reflecting improved market share across the majority of our markets in Europe. We also further strengthened our position in our Swiss home market.

This success is attributable to our client proximity and our state-of-the-art digital ecosystem, which allows us to rapidly enter new markets and serve new target groups. Vontobel Investment Banking has 16 different platforms and web-based offerings. With our unique and leading multi issuer platform Vontobel deritrade® MIP, we enable asset managers and banks to independently compare, create and manage structured products from different issuers for their clients. In the first half of 2018, a total of CHF 3.2 billion of products was purchased on this platform – a significant increase of 45% compared to the previous year and more than the turnover on the SIX Swiss Exchange in the segment for yield enhancement products. We are now also offering our multi issuer capabilities to our clients in Germany through the issuing platform “mein-zertifikat.de”. In Switzerland, private investors have been able to use a new type of app, “Vontobel Investment Scout”, since 2017 in order to select a structured product tailored to their individual preferences and have it issued immediately via their iPhone or iPad. Financial Products also unveiled innovative new products, including the launch in July of “cosmofunding”, a platform for private placements and loans that enables municipalities and SMEs to gain direct access to investors.

Vontobel's External Asset Managers (EAM) business provides support and advice to external asset managers. As a globally active financial specialist, we also give our EAMs access to our investment expertise. During the period under review, we further expanded our investment advisory offering and generated value for the end-clients served by EAMs through our investment recommendations, thus contributing to the growth of their assets. In addition, we now provide discretionary mandates as well as comprehensive regulatory knowhow for our clients. We are continuing to develop our Vontobel EAMNet digital platform – a pioneering solution compared to the offerings of our peers with a very user-friendly design. Overall, our efforts were rewarded by our clients with impressive growth in net new money of 9.3%. As a result, assets under management reached a new record level of CHF 10.5 billion.

Vontobel Corporate Finance advised a total of 17 companies on capital market or M&A transactions in the first six months of 2018 and was thus able to further expand its leading position in the Swiss equity capital market and in the area of public takeover bids, among others. However, income declined somewhat from the exceptionally high level seen in the first half of 2017. Brokerage also experienced a reduction in income due to regulatory changes under MiFID II.

In the first half of 2018, Investment Banking grew its operating income by 11% to CHF 187.9 million, driven by further gains in market share in Financial Products as well as the achievement of good growth in the External Asset Managers business. Pre-tax profit rose by 5% to CHF 65.7 million.

Investment Banking creates customized investment solutions for our clients. Vontobel is today one of the leading issuers of structured products and derivatives in Europe and is established in Asia. Investment Banking also provides comprehensive services for external asset managers. In addition to its award-winning Brokerage function, Vontobel is active in the field of corporate finance. Securities and foreign exchange trading, as well as the securities services supplied by Transaction Banking, complete its range of offerings. Prudent risk management is assigned the utmost importance in all of these activities. Vontobel Investment Banking is a global leader in the digitization of investment solutions. Investment Banking has operations in Zurich, Basel, Geneva, Lugano, Cologne, Frankfurt, Dubai, London, New York, Hong Kong and Singapore.

Segment results

(6 MONTHS)	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE TO 30.06.2017	
				CHF MN	IN %
Net interest income after credit losses	5.6	4.7	5.3	0.9	19
Net fee and commission income	41.8	42.5	33.5	-0.7	-2
Trading income and other operating income	140.5	121.6	121.2	18.9	16
Total operating income	187.9	168.8	160.0	19.1	11
Personnel expense	63.1	59.4	55.9	3.7	6
General expense	31.6	24.7	29.4	6.9	28
Services from/to other segment(s)	23.0	19.2	22.4	3.8	20
Depreciation of property, equipment and intangible assets	3.2	2.7	2.8	0.5	19
Provisions and losses	1.2	0.0	0.2	1.2	
Total operating expense	122.2	106.0	110.7	16.2	15
Segment profit before taxes	65.7	62.8	49.3	2.9	5

Key figures

IN %	30.06.2018	30.06.2017	31.12.2017
Cost ¹ /income ratio	64.4	62.8	69.1
Change of assets under management	0.1	13.8	11.3
of which net new money	0.1	9.2	3.2
of which change in market value	0.0	4.6	8.1

Client assets

	30.06.2018 CHF BN	30.06.2017 CHF BN	31.12.2017 CHF BN	CHANGE TO 31.12.2017	
				CHF BN	IN %
Assets under management	13.8	12.4	13.8	0.0	0
Structured products outstanding	9.3	7.2	8.5	0.8	9
Total advised client assets	23.1	19.6	22.3	0.8	4
Custody assets	62.3	43.0	59.9	2.4	4
Total client assets	85.3	62.6	82.2	3.1	4

Net new money

CHF BN (6 MONTHS)	30.06.2018	30.06.2017	31.12.2017
Net new money	0.0	1.0	0.4

Personnel

	30.06.2018	30.06.2017	31.12.2017	CHANGE TO 31.12.2017	
					IN %
Employees (full-time equivalents)	393.4	376.9	383.1	10.3	3

Of which External Asset Managers

(6 MONTHS)	30.06.2018	30.06.2017	31.12.2017	CHANGE TO 30.06.2017	
					IN %
Operating income (CHF mn)	29.2	25.9	26.7	3.3	13
Profit before taxes (CHF mn)	13.8	11.3	11.7	2.5	22
Cost ¹ /income ratio (%)	51.2	56.0	56.1		
Assets under management (CHF bn)	10.5	8.7	10.0		
Net new money (CHF bn)	0.5	0.6	0.6		
Operating income/average assets under management (bp) ^{2,3}	57	62	57		

1 Operating expense excl. provisions and losses

2 Annualized

3 Calculation based on average values for individual months

Corporate Center

Vontobel has a long tradition of corporate responsibility and sustainability, which are part of our corporate culture. We strive to take greater account of sustainability aspects across every area of our business and we view this as a permanent and pressing commitment. Since the 1990s, Vontobel has continuously expanded its sustainable investing activities and is seeking to play a leading role in this area. The volume of sustainable investments at Vontobel rose from CHF 13.9 billion at December 31, 2017 to almost CHF 15.6 billion at June 30, 2018, corresponding to growth of over 10%. All three divisions contributed to this increase. Structured products focusing on sustainable investment themes more than doubled, and in Wealth Management, mandates managed according to sustainability criteria experienced significant growth. In addition, Vontobel now incorporates ESG criteria into the investment process of several funds. Examples include the investment strategy focusing on emerging markets bonds denominated in local currencies. More than CHF 1 billion of the sustainable new money generated comprises inflows into investment funds in the “mtx” strategy group that invest in emerging markets equities, among others. ISS-oekom rated Vontobel’s sustainability performance this year for the first time and awarded it “Prime” status. This means that Vontobel ranks among the top 6% in its peer group of 44 asset managers worldwide.

With the rollout of Avaloq in 2009 and the subsequent upgrading of peripheral systems, Vontobel laid the foundations for the current digital transformation of the business. This reflects the vital importance today of having a modern back- and middle-office landscape in order to successfully implement innovative front-office applications. To drive forward the digital transformation process in a coordinated and targeted manner, a dedicated program was launched that encompasses more than 20 digitization projects. In March 2017, for example, Financial Products introduced “Vontobel Investment Scout” – the world’s first app that allows private investors to use their iPhone or iPad to create structured products, tailor them to their specific requirements and monitor them. At the same time, the range of products offered on the “Vontobel Wealth” and “Vontobel EAMNet” platforms is being continuously refined and expanded. A substantial proportion of IT investment is now being channeled into the digitization of the business; with these future-oriented investments, we are securing a strong and competitive market position for Vontobel.

Vontobel has long adopted a future-oriented approach to business – especially with German clients. Some time ago, it therefore carried out a systematic review of the tax status of all German clients and actively supported their

efforts to regularize their tax status where applicable. Irrespective of this, the German tax authorities launched an investigation into Vontobel and a large number of other Swiss financial institutions in 2014. At the start of 2018, Vontobel agreed a mutual settlement with the authorities in the German state of North Rhine-Westphalia and paid a one-off sum of approximately EUR 13.3 million. Provisions covering the full amount were already recorded in prior years.

The negative interest rates that apply to certain sight deposits held by banks at the Swiss National Bank (SNB), as well as the negative key interest rate in the Eurozone, adversely affected our result once again. They primarily had an impact in Wealth Management and in the External Asset Managers business, as well as in Treasury. This effect was partly offset by an increase in lending to clients in the form of secured loans (“lombard loans”) and mortgages, as well as by the active management of excess liquidity. In addition, in Treasury, it was not possible to reinvest the capital from maturing bonds at the same attractive conditions and this also had a negative impact on interest income.

In June 2018, Vontobel successfully placed a CHF 450 million Additional Tier 1 (AT1) bond with a coupon of 2.625%. The proceeds of this capital market transaction are being used primarily to finance the acquisition of the private bank Notenstein La Roche and to strengthen the total capital ratio following the integration.

Operating income decreased slightly in the first half of 2018 compared to the prior-year period. This was reflected by a lower pre-tax result of CHF –39.8 million.

The Corporate Center provides central services for the divisions and comprises the units Operations, Finance & Risk and Corporate Services, as well as the Board of Directors support unit. Operations consists of the central IT unit and Facility Management, as well as Legal, Compliance & Tax. Finance & Risk combines the areas of Finance, Controlling, Treasury, Risk Control and Investor Relations. Corporate Services is divided into the areas Corporate Human Resources, Corporate Marketing & Communications, and Corporate Business Development. The Board of Directors support unit assists the Board of Directors with all administrative and legal matters and includes Internal Audit.

Segment results

(6 MONTHS)	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE TO 30.06.2017	
				CHF MN	IN %
Net interest income after credit losses	5.7	13.9	6.0	-8.2	-59
Net fee and commission income	-17.6	-15.7	-14.4	-1.9	
Trading income and other operating income	17.4	16.8	17.4	0.6	4
Total operating income	5.6	15.0	9.0	-9.4	-63
Personnel expense	63.4	65.0	67.0	-1.6	-2
General expense	45.7	47.5	42.7	-1.8	-4
Services from/to other segment(s)	-86.3	-84.6	-84.4	-1.7	
Depreciation of property, equipment and intangible assets	22.4	23.0	22.8	-0.6	-3
Provisions and losses	0.2	1.0	0.1	-0.8	-80
Total operating expense	45.4	51.9	48.2	-6.5	-13
Segment profit before taxes	-39.8	-36.9	-39.2	-2.9	

Personnel

	30.06.2018	30.06.2017	31.12.2017	CHANGE TO 31.12.2017	
					IN %
Employees (full-time equivalents)	498.4	477.2	492.0	6.4	1

Capital and liquidity

Eligible and required capital

CHF MN	30.06.2018	31.12.2017
Eligible capital		
Equity according to balance sheet	1,678.8	1,620.5
<i>Paid-in capital</i>	56.9	56.9
<i>Disclosed reserves</i>	1,542.9	1,440.8
<i>Net profit for the current financial year</i>	127.7	202.4
<i>Deduction for treasury shares</i>	-48.7	-79.6
Deduction for minority interests	0.0	0.0
Deduction for dividends (current estimate)	-59.8	-119.4
Deduction for goodwill	-226.5	-226.8
Deduction for intangible assets	-58.0	-64.3
Deduction for deferred tax assets	-17.5	-20.0
Addition (deduction) for losses (gains) due to changes in own credit risk	-5.7	0.6
Deduction for unrealised gains related to financial investments	-48.8	-4.1
Deduction for defined benefit pension fund assets (IAS 19)	-35.8	-29.9
Other adjustments	-52.0	-58.0
Net eligible BIS common equity tier 1 capital (CET1)	1,174.7	1,098.6
Additional tier 1 capital (AT1)	447.4	0.0
Net eligible BIS tier 1 capital	1,622.1	1,098.6
Supplementary capital (tier 2)	0.0	0.0
Other deductions from total capital	0.0	0.0
Net eligible regulatory capital (BIS tier 1 + 2)	1,622.1	1,098.6

Risk-weighted positions

Credit risks	1,968.2	1,892.6
<i>Receivables</i>	<i>1,857.3</i>	<i>1,812.1</i>
<i>Price risk relating to equity instruments in the banking book</i>	<i>110.9</i>	<i>80.5</i>
Non-counterparty related risks	155.7	158.6
Market risks	2,145.2	2,079.3
<i>Interest rates</i>	<i>1,248.5</i>	<i>1,187.3</i>
<i>Equities</i>	<i>349.5</i>	<i>328.9</i>
<i>Currencies</i>	<i>220.6</i>	<i>242.8</i>
<i>Gold</i>	<i>39.7</i>	<i>69.8</i>
<i>Commodities</i>	<i>286.9</i>	<i>250.5</i>
Operational risk	1,879.0	1,825.1
Total risk-weighted positions	6,148.1	5,955.6

The disclosures for capital adequacy, leverage ratio and liquidity coverage ratio are in accordance with the requirements set out in FINMA Circular 16/01. The values used to calculate the liquidity coverage ratio are simple monthly averages for the relevant quarter or halfyear. The average is calculated based on the values shown in the monthly liquidity status reports submitted to FINMA and the SNB. This results in three data points per quarter.

For 2018, the liquidity coverage ratio has to exceed 90 %. The main factors influencing Vontobel's liquidity coverage ratio are cash holdings as high-quality liquid assets, customer cash accounts as weighted cash outflows, and reverse-repurchase agreements maturing within 30 calendar days as cash inflows.

Capital ratios in accordance with FINMA Circular 16/01

AS A PERCENTAGE OF RISK-WEIGHTED POSITIONS	30.06.2018	31.12.2017
CET1 capital ratio (minimum requirement BIS Basel III excl. capital conservation buffer: 4.5%) ¹	19.1	18.4
Tier 1 capital ratio (minimum requirement BIS Basel III excl. capital conservation buffer: 6.0%) ²	26.4	18.4
Total capital ratio (minimum requirement BIS Basel III excl. capital conservation buffer: 8.0%) ³	26.4	18.4
CET1 available to cover BCBS minimum capital and buffer requirements after deduction of AT1 and T2 capital requirements which are filled by CET1	19.1	14.9
CET1 available	19.1	14.2
T1 available	24.0	16.0
Eligible regulatory capital available	26.4	18.4

1 CET1 capital ratio target according to Annex 8 CAO plus countercyclical buffer: 7.8%

2 T1 capital ratio target according to Annex 8 CAO plus countercyclical buffer: 9.6%

3 Total capital ratio target according to Annex 8 CAO plus countercyclical buffer: 12.0%

The countercyclical buffer requirement (as a percentage of risk-weighted positions) is 0.0.

All investments in the financial sector (<10%) are risk-weighted for CAD calculations (30.06.2018: CHF 8.5 mn; 31.12.2017: CHF 8.5 mn).

Leverage ratio in accordance with FINMA Circular 15/03

	30.06.2018	31.12.2017
Net eligible BIS tier 1 capital in CHF mn	1,622.1	1,098.6
Total leverage ratio exposure in CHF mn	24,359.0	23,438.1
Leverage ratio (unweighted capital ratio in accordance with Basel III) in %	6.7	4.7

Liquidity coverage ratio in accordance with FINMA Circular 15/02

AVERAGE	1 ST HALF YEAR 2018	2 ND QUARTER 2018	1 ST QUARTER 2018
Total stock of high quality liquid assets (HQLA) in CHF mn	7,052.2	7,018.7	7,085.7
Total net cash outflows in CHF mn	3,477.8	3,320.3	3,635.3
Liquidity Coverage Ratio LCR in %	202.8	211.4	194.9

Consolidated income statement

Consolidated income statement

(6 MONTHS)	NOTE	30.06.2018	30.06.2017	31.12.2017	CHANGE TO 30.06.2017	
		CHF MN	CHF MN	CHF MN	CHF MN	IN %
Interest income		45.5	41.0	41.9	4.5	11
Interest expense		8.1	6.3	7.9	1.8	29
Net interest income		37.4	34.7	34.0	2.7	8
Credit loss (expense)/ recovery		-0.2	0.0	-0.2	-0.2	
Net interest income after credit losses	1	37.2	34.7	33.8	2.5	7
Fee and commission income		501.7	433.2	469.3	68.5	16
Fee and commission expense		123.2	99.6	110.0	23.6	24
Net fee and commission income	2	378.5	333.6	359.3	44.9	13
Trading income	3	166.3	143.5	145.3	22.8	16
Other income	4	1.3	5.7	4.2	-4.4	-77
Total operating income		583.3	517.5	542.6	65.8	13
Personnel expense	5	276.6	262.1	270.5	14.5	6
General expense	6	111.3	101.8	103.2	9.5	9
Depreciation of property, equipment and intangible assets	7	32.1	29.7	31.3	2.4	8
Provisions and losses	8	2.4	1.4	0.8	1.0	71
Total operating expense		422.4	395.0	405.8	27.4	7
Profit before taxes		160.9	122.5	136.8	38.4	31
Taxes	9	28.2	21.0	29.3	7.2	34
Group net profit		132.7	101.5	107.5	31.2	31
<i>of which allocated to minority interests</i>		<i>4.9</i>	<i>2.8</i>	<i>3.8</i>	<i>2.1</i>	<i>75</i>
<i>of which allocated to shareholders of Vontobel Holding AG</i>		<i>127.7</i>	<i>98.7</i>	<i>103.7</i>	<i>29.0</i>	<i>29</i>
Share information (CHF)						
Basic earnings per share ¹		2.28	1.78	1.87	0.50	28
Diluted earnings per share ¹		2.24	1.75	1.81	0.49	28

1 Basis: weighted average number of shares

The reporting of interest income has changed. The figures for the previous year were adapted accordingly.

Consolidated statement of comprehensive income

Consolidated statement of comprehensive income

(6 MONTHS)	NOTE	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE TO 30.06.2017	
					CHF MN	IN %
Group net profit according to the income statement		132.7	101.5	107.5	31.2	31
Other comprehensive income, net of tax	10					
Other comprehensive income that will be reclassified to the income statement						
Currency translation adjustments:						
Income during the reporting period		1.4	-7.6	9.2	9.0	
Gains and losses transferred to the income statement		0.0	0.0	0.0	0.0	
Total currency translation adjustments		1.4	-7.6	9.2	9.0	
Debt instruments in financial investments ¹ :						
Income during the reporting period		-8.1	2.4	-5.1	-10.5	
Gains and losses transferred to the income statement		0.2	-2.3	-1.2	2.5	
Total debt instruments in financial investments		-7.9	0.1	-6.3	-8.0	
Cash flow hedges:						
Income during the reporting period		-0.9	0.2	-0.7	-1.1	
Gains and losses transferred to the income statement		0.0	0.0	0.0	0.0	
Total cash flow hedges		-0.9	0.2	-0.7	-1.1	
Total other comprehensive income that will be reclassified to the income statement		-7.4	-7.3	2.2	-0.1	
Other comprehensive income that will not be reclassified to the income statement						
Income from equity instruments in financial investments		-0.8				
Income from defined benefit pension plans		0.8	11.8	-2.2	-11.0	-93
Total other comprehensive income that will not be reclassified to the income statement		0.0	11.8	-2.2	-11.8	-100
Total other comprehensive income, net of tax		-7.4	4.5	0.0	-11.9	
Comprehensive income		125.3	106.0	107.5	19.3	18
<i>of which allocated to minority interests</i>		<i>4.9</i>	<i>2.7</i>	<i>4.3</i>	<i>2.2</i>	<i>81</i>
<i>of which allocated to shareholders of Vontobel Holding AG</i>		<i>120.4</i>	<i>103.3</i>	<i>103.2</i>	<i>17.1</i>	<i>17</i>

1 In the financial year 2017, this item also included other comprehensive income from those equity securities and units in investment funds that were classified as "available-for-sale" under IAS 39.

Consolidated balance sheet

Assets

	30.06.2018	31.12.2017	CHANGE TO 31.12.2017	
	CHF MN	CHF MN	CHF MN	IN %
Cash	6,441.3	6,287.9	153.4	2
Due from banks	984.5	1,658.7	-674.2	-41
Cash collateral for securities borrowing agreements	6.7	8.5	-1.8	-21
Cash collateral for reverse-repurchase agreements	989.2	1,007.2	-18.0	-2
Trading portfolio assets	3,479.2	3,991.2	-512.0	-13
Positive replacement values	198.2	243.9	-45.7	-19
Other financial assets at fair value	4,248.5	3,490.9	757.6	22
Loans	4,301.9	3,310.5	991.4	30
Financial investments	1,909.7	1,788.9	120.8	7
Investments in associates	0.5	0.9	-0.4	-44
Property and equipment	156.9	159.7	-2.8	-2
Goodwill and other intangible assets	284.5	291.1	-6.6	-2
Other assets	980.8	664.3	316.5	48
Total assets	23,981.9	22,903.7	1,078.2	5

Liabilities and equity

	30.06.2018 CHF MN	31.12.2017 CHF MN	CHANGE TO 31.12.2017	
			CHF MN	IN %
Due to banks	583.6	1,221.3	-637.7	-52
Cash collateral from repurchase agreements	74.5	0.0	74.5	
Trading portfolio liabilities	147.7	158.2	-10.5	-7
Negative replacement values	817.5	725.6	91.9	13
Other financial liabilities at fair value	9,170.7	8,451.3	719.4	9
Due to customers	9,789.3	9,758.2	31.1	0
Debt issued	447.4	0.0	447.4	
Provisions	26.3	40.6	-14.3	-35
Other liabilities	1,246.1	928.0	318.1	34
Total liabilities	22,303.1	21,283.2	1,019.9	5
Share capital	56.9	56.9	0.0	0
Treasury shares	-48.7	-79.6	30.9	
Capital reserve	-178.7	-160.3	-18.4	
Retained earnings	1,909.0	1,854.7	54.3	3
Other components of shareholders' equity	-59.6	-51.2	-8.4	
Shareholders' equity	1,678.8	1,620.5	58.3	4
Minority interests	0.0	0.0	0.0	
Total equity	1,678.8	1,620.5	58.3	4
Total liabilities and equity	23,981.9	22,903.7	1,078.2	5

Statement of equity

Statement of equity

CHF MN	SHARE CAPITAL	TREASURY SHARES	CAPITAL RESERVE
Balance as of 01.01.2017	56.9	-93.8	-157.8
Group net profit			
Other comprehensive income that will be reclassified to the income statement			
Other comprehensive income that will not be reclassified to the income statement			
Comprehensive income	0.0	0.0	0.0
Dividend payment ²			
Purchase of treasury shares		-38.3	
Sale of treasury shares		7.2	1.0
Share-based compensation expense			18.9
Allocations from share-based compensation		59.2	-33.8
Change in minority interests			0.0
Change in liability to purchase minority interests			-4.1
Other effects	0.0	0.0	0.0
Ownership-related changes	0.0	28.1	-18.0
Balance as of 30.06.2017	56.9	-65.7	-175.8
Balance as of 01.01.2018	56.9	-79.6	-160.3
Impact of changes to the accounting principles			
Balance as of 01.01.2018 after adjustments	56.9	-79.6	-160.3
Group net profit			
Other comprehensive income that will be reclassified to the income statement			
Other comprehensive income that will not be reclassified to the income statement			
Comprehensive income	0.0	0.0	0.0
Dividend payment ³			
Purchase of treasury shares		-34.8	
Sale of treasury shares		6.4	0.8
Share-based compensation expense			20.0
Allocations from share-based compensation		59.3	-33.5
Change in minority interests			0.0
Change in liability to purchase minority interests			-5.7
Other effects	0.0	0.0	0.0
Ownership-related changes	0.0	30.9	-18.4
Balance as of 30.06.2018	56.9	-48.7	-178.7

1 "Unrealized income from debt instruments in financial investments", "Currency translation adjustments" and "Cash flow hedges" are reported in the balance sheet item "Other components of shareholders' equity".

2 In the financial year 2017, this item also included other comprehensive income from those equity securities and units in investment funds that were classified as "available-for-sale" under IAS 39.

3 Vontobel Holding AG paid a dividend (gross) of CHF 2.10 per registered share with a par value of CHF 1.00 in April 2018 (previous year CHF 2.00 consisting of an ordinary dividend of CHF 1.90 and a special dividend of CHF 0.10).

RETAINED EARNINGS	UNREALIZED INCOME FROM DEBT INSTRUMENTS IN FINANCIAL INVESTMENTS ^{1,2}	CURRENCY TRANSLATION ADJUSTMENTS ¹	CASH FLOW HEDGES ¹	SHAREHOLDERS' EQUITY	MINORITY INTERESTS	TOTAL EQUITY
1,754.5	4.6	-49.6	-0.7	1,514.1	0.0	1,514.1
98.7				98.7	2.8	101.5
	0.1	-7.5	0.2	-7.2	-0.1	-7.3
11.8				11.8	0.0	11.8
110.5	0.1	-7.5	0.2	103.3	2.7	106.0
-111.8				-111.8	-4.3	-116.1
				-38.3	0.0	-38.3
				8.2	0.0	8.2
				18.9	0.0	18.9
				25.4	0.0	25.4
	0.0	0.0		0.0	0.0	0.0
				-4.1	1.6	-2.5
0.0	0.0			0.0	0.0	0.0
-111.8	0.0	0.0	0.0	-101.7	-2.7	-104.4
1,753.2	4.7	-57.1	-0.5	1,515.7	0.0	1,515.7
1,854.7	-1.6	-48.4	-1.2	1,620.5	0.0	1,620.5
44.8	-1.1			43.7		43.7
1,899.5	-2.7	-48.4	-1.2	1,664.2	0.0	1,664.2
127.7				127.7	4.9	132.7
	-7.9	1.4	-0.9	-7.4	-0.0	-7.4
0.0				0.0	0.0	0.0
127.7	-7.9	1.4	-0.9	120.4	4.9	125.3
-118.3				-118.3	-5.1	-123.4
				-34.8	0.0	-34.8
				7.2	0.0	7.2
				20.0	0.0	20.0
				25.8	0.0	25.8
	0.0	0.0		0.0	0.0	0.0
				-5.7	0.2	-5.5
0.0	0.0			0.0	0.0	0.0
-118.3	0.0	0.0	0.0	-105.8	-4.9	-110.7
1,909.0	-10.6	-46.9	-2.1	1,678.8	0.0	1,678.8

Share capital

Share capital

	SHARE CAPITAL		AUTHORIZED CAPITAL	
	NUMBER OF SHARES	PAR VALUE CHF MN	NUMBER OF SHARES	PAR VALUE CHF MN
Balance as of 01.01.17	56,875,000	56.9	0	0.0
Balance as of 31.12.17	56,875,000	56.9	0	0.0
Balance as of 30.06.18	56,875,000	56.9	0	0.0

Treasury shares

	NUMBER	CHF MN
Balance as of 01.01.2017	2,106,367	93.8
Purchases	676,627	38.3
Decreases	-1,414,404	-66.4
Balance as of 30.06.2017	1,368,590	65.7
Purchases	331,150	20.3
Decreases	-111,403	-6.4
Balance as of 31.12.2017	1,588,337	79.6
Purchases	538,981	34.8
Decreases	-1,308,657	-65.7
Balance as of 30.06.2018	818,661	48.7

Consolidated cash flow statement

Consolidated cash flow statement

CHF MN (6 MONTHS)	30.06.2018	30.06.2017
Cash flow from operating activities		
Group net profit (incl. minorities)	132.7	101.5
Reconciliation to net cash flow from operating activities		
Non-cash positions in Group results:		
Depreciation and valuation adjustments of property, equipment and intangible assets	32.1	29.7
Credit loss expense/(recovery)	0.2	0.0
Income from investments in associates	0.4	0.1
Deferred income taxes	6.1	2.5
Change in provisions	-14.1	0.9
Net income from investing activities	3.5	0.4
Other non-cash income	12.4	18.3
Net (increase)/decrease in assets relating to banking activities:		
Due from/to banks, net	-622.4	-295.5
Cash collateral for securities borrowing and reverse-repurchase agreements	19.8	-110.3
Trading positions and replacement values, net	619.5	-376.3
Other financial assets/liabilities at fair value, net	-35.1	172.0
Loans/due to customers, net	-960.6	256.2
Other assets	-486.3	-482.3
Net increase/(decrease) in liabilities relating to banking activities:		
Cash collateral from securities lending and repurchase agreements	74.5	0.0
Other liabilities	502.7	590.0
Taxes paid	-22.0	-30.8
Cash flow from operating activities	-736.8	-123.6
Cash flow from investing activities		
Investments in subsidiaries and associates	0.0	-28.7
Disposal of subsidiaries and associates	21.9	0.0
Purchase of property, equipment and intangible assets	-23.0	-21.8
Disposal of property, equipment and intangible assets	0.0	0.0
Investment in financial instruments	-342.7	-234.5
Divestment of financial instruments	280.9	352.7
Cash flow from investing activities	-62.9	67.7
Cash flow from financing activities		
Net movements in treasury shares	-27.6	-30.1
Dividends paid	-123.4	-116.1
Issued debt instruments	447.4	0.0
Cash flow from financing activities	296.3	-146.2
Effects of exchange rate differences	-1.8	-0.1
Net increase/(decrease) in cash and cash equivalents	-505.1	-202.2
Cash and cash equivalents, beginning of the year	7,918.9	7,787.0
Impact of changes to the accounting principles	-0.4	
Cash and cash equivalents at the balance sheet date	7,413.4	7,584.8

Consolidated cash flow statement

CHF MN (6 MONTHS)	30.06.2018	30.06.2017
Cash and cash equivalents comprise at the balance sheet date		
Cash	6,441.3	6,536.3
Due from banks on demand	972.1	1,048.5
Total	7,413.4	7,584.8
Further information:		
Dividends received	38.0	44.6
Interest received	70.7	73.7
Interest paid	7.7	8.4

Accounting principles

1. Basis of presentation

Vontobel's consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), which are published by the International Accounting Standards Board (IASB). This half-year report meets the requirements set out in IAS 34 – Interim Financial Reporting. Since it does not contain all of the information and disclosures required in the Annual Report, this interim report should be read in conjunction with the audited consolidated financial statements in the Annual Report 2017. With the exception of the following changes, the accounting principles applied in this report are the same as in the consolidated financial statements dated December 31, 2017.

2. Changes in financial reporting

2.1 Changes in accounting principles

2.1.1 Standards and interpretations that have been implemented

The following new or revised standards and interpretations were applied by Vontobel for the first time in the financial year 2018:

IFRS 9 – Financial Instruments

The IASB published IFRS 9 in July 2014. The new standard replaces IAS 39 and contains guidelines on the classification and measurement of financial assets and financial liabilities, the identification of impairment of financial assets, and hedge accounting. It is to be applied for the first time from January 1, 2018. In October 2017, the IASB published an amendment to IFRS 9 regarding prepayment features with negative compensation, which is to be applied for the first time from January 1, 2019. Early adoption is permitted.

The classification and measurement of financial assets is based on the contractual cash flows from financial instruments and on the business model in which the instruments are held. In the case of debt instruments, the following categories exist:

- Recognition at amortized cost using the effective interest method;
- Recognition at fair value, with changes in fair value being recognized in other comprehensive income and transferred to profit or loss when the instrument is sold;
- Recognition at fair value, with changes in fair value being recognized in profit or loss.

In the event of an accounting mismatch, the fair value option can be applied for a debt instrument that would fall within one of the first two categories.

All equity instruments are measured at fair value. This also applies to unquoted equity instruments that were usually recognized at cost less impairment under IAS 39. Changes in fair value are generally recognized through profit or loss. If an equity instrument is not held for trading purposes, it can be irrevocably classified at initial recognition as an instrument that is measured at fair value. However, with the exception of dividends, all of its income components are recognized in other comprehensive income and are not transferred to profit or loss under any circumstances.

IFRS 9 incorporates the rules on the classification and measurement of financial liabilities set out in IAS 39. A new feature in IFRS 9 is, however, that the impact of the change in own credit risk of financial liabilities, for which the fair value option is applied, is now recorded in other comprehensive income. If this treatment would create or enlarge an accounting mismatch in profit or loss, the impact of the change in own credit risk should, however, continue to be recorded in profit or loss.

It is primarily financial assets that are measured at amortized cost or whose changes in fair value are recognized in other comprehensive income that fall within the scope of application of the new impairment model. At initial recognition of these instruments, the present value of expected credit losses resulting from possible default events within the next 12 months are recognized through profit or loss. If there has been a significant increase in credit risk since the initial recognition of the financial asset, the present value of lifetime expected credit losses is recorded through profit or loss.

The new general model for hedge accounting enables companies to better reflect their risk management activities in their financial statements since it provides more options to apply hedge accounting and allows flexibility in how an economic relationship between the hedged item and the hedging instrument is shown.

When applying IFRS 9 for the first time (including the amendment regarding prepayment features with negative compensation), Vontobel did not adjust the figures for the prior year and recognized the cumulative impact of the first-time application of IFRS 9 in the opening balance sheet as of January 1, 2018, in accordance with the transitional provisions. The impacts on the consolidated financial statements are shown on pages 42 to 47.

IFRS 15 – Revenue from Contracts with Customers

The new standard provides a five-step model for the recognition of revenue that should, in principle, be applied to all customer contracts. The model comprises the following steps:

- Identify the contract with the customer;
- Identify distinct performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract;
- Recognize revenue when the performance obligations are satisfied.

IFRS 15 contains new guidelines on whether revenue should be recognized at a certain point in time or over time. For cases involving variable consideration, a new recognition threshold was introduced, according to which variable amounts are only included in revenue if it is highly probable that a significant revenue reversal will not occur in the future as a result of re-estimation.

The new standard provides detailed guidance on various issues, such as identifying distinct performance obligations and accounting for contract modifications. The standard also introduces new guidance on the costs of fulfilling and obtaining a contract, as well as specifying the circumstances in which such costs should be capitalized. The new standard includes significantly increased requirements for the disclosure of revenue in the financial statements.

The application of IFRS 15 did not have any impact on Vontobel's balance sheet and income statement as of January 1, 2018, or in the first half of 2018. In the segment reporting, net fee and commission income is now reported separately for the individual segments to enable reconciliation with the corresponding item in the income statement. Figures for the previous year have been adapted in line with this increased disclosure. The disclosure relating to commission and fee income is provided in note 2.

IAS 19 – Plan Amendment, Curtailment or Settlement

In February 2018, the IASB published amendments to IAS 19, which concern the recognition of plan amendments, curtailments or settlements during the reporting period. The amendments state that if this type of event occurs, companies must determine the current service cost and net interest for the remainder of the reporting period using current actuarial assumptions. In addition, the amendments clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The amendments apply prospectively to plan amendments, curtailments or settlements occurring on or after January 1, 2019. Early application is permitted. At Vontobel, the new IAS 19 provisions have been applied early to changes in the regulations of pension funds in Switzerland (see note 5 "Personnel expense"). In the first half of 2018, this resulted in a reduction in personnel expense and in the income from defined benefit pension plans recognized in other comprehensive income, each in the amount of CHF 0.2 mn (before taxes). The early application of the new provisions had no impact on consolidated shareholders' equity as of June 30, 2018.

Other new standards and interpretations

The following new or revised standards and interpretations did not have any significant impacts on Vontobel when applied for the first time or were not relevant for Vontobel:

- IAS 40 – Transfers of Investment Properties;
- IFRS 2 – Classification and Measurement of Share-based Payment Transactions;
- IFRS 4 – Applying IFRS 9 “Financial Instruments” with IFRS 4 “Insurance Contracts”;
- IFRIC 22 – Foreign Currency Transactions and Advance Consideration;
- Annual Improvements 2014–2016 (with first-time application from January 1, 2018).

2.1.2 Other changes

Impairment losses on financial investments and loans, and reversals of impairment losses, were previously recognized in the income statement in the items “Other income” or “Valuation adjustments, provisions and losses” (now “Provisions and losses”). Due to the adoption of IFRS 9, all changes in expected credit losses under the impairment model are now recognized in the item “credit loss (expense)/ recovery” as a component of net interest income.

For the purpose of comparisons: In the income statement and segment reporting for the financial year 2017, CHF 0.2 mn (1H17: CHF 0.0 mn, 2H17: CHF 0.2 mn) was reclassified from the income statement item “Provisions and losses” to the item “credit loss (expense)/ recovery”. This reclassification has no impact on net profit and consolidated shareholders’ equity for the prior year.

2.2 Changes in estimates

No material changes in estimates.

Changes due to IFRS 9

IFRS 9 accounting principles

Initial recognition

Purchases and disposals of financial assets are recognized in the balance sheet at the trade date. At the time of initial recognition, financial assets or financial liabilities are classified according to IFRS 9 criteria, assigned to the relevant category and measured at the fair value of the consideration paid or received, including directly attributable transaction costs. In the case of trading portfolio assets and liabilities and other financial instruments at fair value ("Fair value through profit and loss"), the transaction costs are immediately recognized through profit or loss.

Measuring fair value, fair value hierarchy and recognition of "day 1 profit"

For information on the measurement of fair value of financial instruments, the valuation techniques used, the fair value hierarchy and day 1 profit, please refer to note 11 "Fair value of financial instruments".

Trading portfolio assets and trading portfolio liabilities ("fair value through profit or loss")

Financial assets or financial liabilities held for trading purposes are recognized at fair value in "Trading portfolio assets" or "Trading portfolio liabilities". All income components are recognized in "Trading income".

Derivative financial instruments ("fair value through profit or loss") and hedge accounting

Derivative instruments are recognized as positive and negative replacement values at fair value. Provided no hedge accounting is applied for the relevant derivatives, all income components are recognized in "Trading income".

Other financial assets at fair value ("fair value through profit or loss")

This balance sheet item contains financial assets that are not held for trading purposes but fall within the category "fair value through profit or loss" due to IFRS 9 criteria. An exception are those equity securities that Vontobel assigned to the category "financial investments" at initial recognition. They are treated the same way in the income statement as trading portfolio assets.

Other financial liabilities at fair value ("fair value through profit or loss")

This balance sheet item contains issued structured products for which the fair value option is applied. They are managed, measured and reported to the Board of Directors and the Executive Board on a fair value basis according to a documented strategy. They are treated the same way in the income statement as trading portfolio liabilities

(information on the treatment of the impact of changes in own credit risk is provided in Note 3 "Trading income"). Income from issued structured products is therefore treated in the same way as income from the corresponding hedging positions.

Financial investments ("fair value through other comprehensive income")

This balance sheet item contains long-term equity investments (e.g. investments in infrastructure companies) on the one hand, and on the other hand debt instruments held within a business model whose objective is both selling debt instruments and collecting contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial investments are recognized at fair value.

In the case of equity investments, dividends are recognized in net interest income and all other income components are recognized in other comprehensive income. Realized income is not transferred to profit or loss.

In the case of debt instruments, changes in fair value are recognized in other comprehensive income. The change in expected credit losses is shown in "Net interest income", and the reverse entry is recognized in other comprehensive income. If a debt instrument is sold, expected credit losses and cumulative changes in fair value are transferred from other comprehensive income to the items "Net interest income" and "Other income". Interest is accrued in the period in which it is earned using the effective interest method and recognized in "Net interest income". For further information on expected credit losses, see the section "Impairment model".

Cash, due from banks, cash collateral for securities borrowing agreements, cash collateral for reverse-repurchase agreements and loans ("amortized cost")

These positions are held to collect contractual cash flows, that are solely payments of principal and interest on the principal amount outstanding. The cash holdings in the balance sheet item "Cash" are recognized at nominal value and other positions are recognized at amortized cost less expected credit losses. Securities received in the context of securities borrowing agreements or reverse-repurchase agreements are not recognized in the balance sheet, since the risks and rewards of ownership are not transferred to Vontobel.

The change in expected credit losses is shown in "Net interest income". Interest on positions that are not past due is accrued in the period in which it is earned using the

effective interest method and recognized in “Net interest income”. Negative interest is shown as interest expense.

For further information on expected credit losses, see the section “Impairment model”.

Due to banks, cash collateral from securities lending agreements, cash collateral from repurchase agreements, due to customers and debt issued (“amortized cost”)

These positions are recognized at amortized cost. Interest is accrued in the period in which it is incurred using the effective interest method and recognized in “Net interest income”. Negative interest is shown as interest income. Securities that are transferred in the context of securities lending and repurchase agreements are not derecognized since the risks and rewards resulting from ownership are not transferred. Additional Tier 1 bond positions held due to market making activities are classed as repaid and are offset in the balance sheet item “Debt issued”.

Impairment model

At Vontobel, it is mainly financial assets recognized at amortized cost, debt instruments in financial investments and credit risks from off-balance-sheet items that are subject to the IFRS 9 impairment model. Vontobel applies the impairment model individually for all relevant financial instruments.

At Vontobel, a financial instrument is assigned to stage 1 of the impairment model at the time of initial recognition. Vontobel has elected under IFRS 9 to continue to allocate all financial instruments with an internal or external rating of at least “investment grade” to stage 1 after initial recognition. At Vontobel, this applies to the vast majority of financial instruments. If a financial instrument displays a significantly increased credit risk (risk of default) compared to the time of initial recognition and if any (internal or external) rating no longer corresponds to at least “investment grade”, it is transferred to stage 2. The main indicators of a significant increase in credit risk are: a missed payment and a material deterioration in the rating, credit risk-related market data (e.g. increase in the risk premium) or borrower-related (idiosyncratic) factors. If a payment is more than 30 days past due, a financial instrument is, in principle, always transferred to stage 2. If there is objective evidence of impairment, the financial instrument is transferred to stage 3. Objective evidence of impairment includes missed payments, substantial financial difficulties on the part of the borrower, a material reduction in the market price of a debt instrument due to borrower-specific factors, and a material reduction in the value of the collateral received.

The financial investments held by Vontobel generally consist solely of liquid debt instruments from high-quality borrowers that have been assigned an external rating in the high “investment grade” range by a recognized rating agency. The creditworthiness of the borrowers is monitored continuously based on changes in external ratings, market factors as well as internal assessments. If a debt instrument no longer meets the internal rules governing creditworthiness, it is generally sold within a very short period of time. In exceptional cases where the instrument is not sold, checks are carried out at the next balance sheet date to determine whether there has been a significant increase in the credit risk or whether there is objective evidence of impairment. Since the debt instruments are highly liquid, the market price is a reliable indicator of the financial position of a borrower. In the event of a significant decrease in market price due to company-specific factors, the debt instrument is classed as impaired.

The secured loans provided to investment clients (“lombard lending”) and exposures to professional counterparties – with the exception of the financial investments described above – are generally only entered into on a secured basis, with securities serving as easily realizable collateral. Further information about the daily procedures to ensure that adequate collateral is in place and the methods and processes used to carefully manage counterparty risks resulting from unsecured exposures is provided in the Annual Report 2017 in chapter 5 of the notes on risk management and risk control. The daily management and control of counterparty risks minimizes the probability that a stage 1 exposure will have to be transferred to stages 2 or 3.

The expected credit losses in stage 1 of the impairment model correspond to the present value of expected credit losses resulting from possible default events within 12 months of the balance sheet date (“12-month losses”). The expected credit losses in stages 2 and 3 correspond to the present value of all expected credit losses over the remaining lifetime of the financial instrument (“lifetime expected credit losses”). The change in expected credit losses is recognized in “Net interest income”.

The expected credit losses on financial instruments with an external or comparable internal rating in stages 1 and 2 are calculated by multiplying the exposure at default (EAD) with the probability of default (PD) and the loss given default (LGD). The interest rate effect is considered if material. The probabilities of default are generally determined using the rating transition matrixes of rating agencies or internal ratings, and the loss given default is determined based on market observations. The forecasts of

future events that are incorporated into the calculation of expected credit losses are based, among other things, on market observations and market estimates, early warning signals, and industry and segment analysis. The value of collateral is taken into account when calculating expected credit losses. For this reason, lombard loans in particular – which account for by far the largest proportion of the balance sheet item “Loans” – and cash collateral for reverse-repurchase agreements in stages 1 and 2 generally only entail minimal expected credit losses.

The expected credit losses of financial instruments in stage 3 are calculated after taking account of collateral valued at the liquidation value using an individual assessment of the unsecured portion of the loan. They are generally derecognized at the point in time when a legal title confirms the conclusion of the realization proceedings.

Balance sheet adjustments

Following the adoption of IFRS 9, the following changes were made to the opening balance sheet as of January 1, 2018, compared to the balance sheet as of December 31, 2017, under IAS 39:

Assets

	IFRS 9 AND IAS 39 MEASUREMENT CATEGORY	IAS 39 31.12.2017 CHF MN	ADJUSTMENTS DUE TO IFRS 9 RECLASSIFI- CATIONS CHF MN	REMEASURE- MENTS CHF MN	CREDIT LOSSES CHF MN	IFRS 9 01.01.2018 CHF MN
Cash	1	6,287.9				6,287.9
Due from banks	1	1,658.7			-0.4	1,658.3
Cash collateral for securities borrowing agreements	1	8.5				8.5
Cash collateral for reverse-repurchase agreements	1	1,007.2				1,007.2
Trading portfolio assets	2	3,991.2				3,991.2
Positive replacement values	2	243.9				243.9
Other financial assets at fair value	2	3,490.9	3.1			3,494.0
<i>Debt instruments</i>		<i>3,419.7</i>				<i>3,419.7</i>
<i>Equity instruments</i>		<i>0.0</i>	<i>2.2</i>			<i>2.2</i>
<i>Units in investment funds</i>		<i>47.5</i>	<i>0.9</i>			<i>48.4</i>
<i>Structured products</i>		<i>23.7</i>				<i>23.7</i>
Loans	1	3,310.5			-0.3	3,310.2
Financial investments	3	1,788.9	-3.1	56.8	0.0	1,842.6
<i>Debt instruments</i>		<i>1,773.0</i>				<i>1,773.0</i>
<i>Equity instruments</i>		<i>15.0</i>	<i>-2.2</i>	<i>56.8</i>		<i>69.6</i>
<i>Units in investment funds</i>		<i>0.9</i>	<i>-0.9</i>			<i>0.0</i>
Investments in associates	n/a	0.9				0.9
Property and equipment	n/a	159.7				159.7
Goodwill and other intangible assets	n/a	291.1				291.1
Other assets	1, 2	664.3			0.2	664.5
Total assets		22,903.7	0.0	56.8	-0.5	22,960.0

1 = amortized cost

2 = fair value through profit or loss

3 = fair value through other comprehensive income

Liabilities and equity

	IFRS 9 AND IAS 39 MEASUREMENT CATEGORY	IAS 39 31.12.2017 CHF MN	ADJUSTMENTS DUE TO IFRS 9			IFRS 9 01.01.2018 CHF MN
			RECLASSIFI- CATIONS CHF MN	REMEASURE- MENTS CHF MN	CREDIT LOSSES CHF MN	
Due to banks	1	1,221.3				1,221.3
Trading portfolio liabilities	2	158.2				158.2
Negative replacement values	2	725.6				725.6
Other financial liabilities at fair value	2	8,451.3				8,451.3
Due to customers	1	9,758.2				9,758.2
Provisions	n/a	40.6			0.1	40.7
Other liabilities	1, 2	928.0		12.5		940.5
Total liabilities		21,283.2	0.0	12.5	0.1	21,295.8
Share capital	n/a	56.9				56.9
Treasury shares	n/a	-79.6				-79.6
Capital reserve	n/a	-160.3				-160.3
Retained earnings	n/a	1,854.7	1.4	44.3	-0.9	1,899.5
Unrealized income on financial investments*	n/a	-1.6	-1.4		0.3	-2.7
Currency translation adjustments	n/a	-48.4				-48.4
Cash flow hedges	n/a	-1.2				-1.2
Minority interests	n/a	0.0				0.0
Total equity		1,620.5	0.0	44.3	-0.6	1,664.2
Total liabilities and equity		22,903.7	0.0	56.8	-0.5	22,960.0

* Under IFRS 9: "Unrealized income from debt instruments in financial investments"

1 = amortized cost

2 = fair value through profit or loss

Reclassifications due to IFRS 9

With the adoption of IFRS 9, essentially all of the equity securities and units in investment funds that were recognized in the balance sheet item "Financial investments" under IAS 39 now fall within the category "Fair value through profit or loss", which is why they are now shown in the balance sheet item "Other financial assets at fair value". For long-term equity investments (e.g. in infrastructure companies), Vontobel has elected to recognize them in the category "Fair value through other comprehensive income", which is why they continue to be shown in the balance sheet item "Financial investments" under IFRS 9. When financial assets are sold, only the unrealized income from debt instruments is transferred to profit or loss under IFRS 9. They therefore remain in the equity component "Unrealized income from debt instruments in financial investments", while unrealized income from equity securities and investment funds is transferred to "retained earnings".

Under IAS 39, the fair value option was applied to financial instruments in the balance sheet item "Other financial assets at fair value". Under IFRS 9, the applicable requirements are no longer met. Based on categorization criteria, however, the relevant financial instruments continue to fall within the category "Fair value through profit or loss" under IFRS 9. This means there are no changes to the recognition, measurement and disclosure of these financial instruments.

Vontobel will continue to record the impact of the change in own credit risk in profit or loss (see note 3, "Trading income") due to an accounting mismatch. Consequently, there are no changes relating to this point.

Remeasurements due to IFRS 9

Under IAS 39, unquoted equity securities were generally recognized at cost less impairment. With the adoption of IFRS 9, this special provision no longer applies. As a result, the fair value of the corresponding items is now estimated based on a proportionate share of the net asset value, taking account of further measurement-relevant factors. The increase in deferred tax liabilities due to remeasurements is recognized in other liabilities.

Expected credit losses due to IFRS 9

With the adoption of IFRS 9, expected credit losses for financial instruments that fall under the new impairment model were calculated. The following table shows the expected credit losses for balance sheet items recognized at amortized cost, financial investments and off-balance-sheet items as of January 1, 2018.

	STAGE 1 CHF MN	STAGE 2 CHF MN	STAGE 3 CHF MN	TOTAL CHF MN
Cash	0.0	0.0	0.0	0.0
Due from banks	0.2	0.2	0.0	0.4
Cash collateral for securities borrowing agreements	0.0	0.0	0.0	0.0
Cash collateral for reverse-repurchase agreements	0.0	0.0	0.0	0.0
Loans	0.3	0.0	18.5	18.8
Financial investments (debt instruments)	0.4	0.0	0.0	0.4
Other assets	0.0	0.0	0.0	0.0
Off-balance sheet positions	0.1	0.0	0.0	0.1
Total	1.0	0.2	18.5	19.7

Expected credit losses as of January 1, 2018, in stage 3 correspond to specific allowances for credit losses as of December 31, 2017, which is why no corresponding adjustment was necessary. Expected credit losses as of January 1, 2018, in stages 1 and 2 were charged to retained earnings, since there were no corresponding allowances for credit losses or provisions as of December 31, 2017. They led to a reduction in the carrying amount of the relevant balance sheet items. Debt instruments in financial investments, for which the expected credit losses as of

January 1, 2018, led to an increase in the equity component "Unrealized income from debt instruments in financial investments", are an exception. The expected credit losses on off-balance-sheet items were recognized in provisions. The increase in deferred tax assets due to expected credit losses is recognized in other assets. The deferred tax effect on expected credit losses of financial investments was recognized in the equity component "Unrealized income from debt instruments in financial investments."

Details on consolidated income statement

1 Net interest income

(6 MONTHS)	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE TO 30.06.2017	
				CHF MN	IN %
Interest income from banks and customers	23.9	17.8	21.3	6.1	34
Interest income from securities borrowing and reverse-repurchase agreements	1.4	3.1	4.0	-1.7	-55
Interest income from financial liabilities	2.7	2.3	2.2	0.4	17
Total interest income from financial instruments at amortized cost	28.0	23.2	27.5	4.8	21
Dividend income from equity instruments in financial investments	3.4	3.4	0.2	0.0	0
Interest income from debt instruments in financial investments	14.1	14.4	14.2	-0.3	-2
Total interest and dividend income from financial assets at fair value	17.5	17.8	14.4	-0.3	-2
Total interest income	45.5	41.0	41.9	4.5	11
Interest expense from securities lending and repurchase agreements	1.3	1.0	1.0	0.3	30
Interest expense from other financial liabilities at amortized cost	2.7	2.0	3.3	0.7	35
Interest expense from financial assets	4.1	3.3	3.6	0.8	24
Total interest expense from financial instruments at amortized cost	8.1	6.3	7.9	1.8	29
Credit loss (expense)/recovery on debt instruments in financial investments	0.0	0.0	0.0	0.0	
Other credit loss (expense)/recovery	-0.2	0.0	-0.2	-0.2	
Total credit loss (expense)/recovery	-0.2	0.0	-0.2	-0.2	
Total	37.2	34.7	33.8	2.5	7

2 Net fee and commission income

(6 MONTHS)	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE TO 30.06.2017	
				CHF MN	IN %
Brokerage fees	52.4	59.4	52.4	-7.0	-12
Custody fees	93.8	77.5	87.3	16.3	21
Advisory and management fees	323.7	268.1	307.0	55.6	21
Corporate finance	8.4	9.9	3.6	-1.5	-15
Other commission income from securities and investment transactions	19.1	15.4	15.8	3.7	24
Total fee and commission income from securities and investment transactions	497.4	430.3	466.1	67.1	16
Other fee and commission income	4.3	2.9	3.2	1.4	48
Brokerage fees	14.0	9.8	9.4	4.2	43
Other commission expense	109.2	89.8	100.6	19.4	22
Total commission expense	123.2	99.6	110.0	23.6	24
Total	378.5	333.6	359.3	44.9	13

Vontobel offers its clients a broad range of services that represent its main earnings stream. Fee and commission income can be divided into two categories: Fees for services provided over time (e.g. portfolio management and investment advisory in the fund business and Wealth Management), which constitute by far the largest portion of Vontobel's fee and commission income, and fees for services provided at a point in time (e.g. brokerage fees).

Fees for services provided over time are generally recorded as a percentage of the average amount of relevant assets under management during the period when the service is rendered and recognized in profit or loss on a proportionate basis over the relevant period. They are invoiced to the client (e.g. private clients or investment funds) at least quarterly and charged to the relevant client assets. In the case of some services, additional performance-based fees may be incurred (e.g. performance fees in the funds business). They are recognized in profit or loss when it is highly probable that they will be collected, which is generally only the case once all performance criteria have been met. The measurement period for performance fees is usually a maximum of one year.

Fees for services provided at a point in time are generally determined as a percentage of the corresponding transaction volume. They are invoiced to the client after the service has been rendered and charged to the corresponding client assets. At the same time, they are recognized in profit or loss.

Based on the nature of Vontobel's commission business, as described above, the related claims, accruals and deferrals at the balance sheet date, and the corresponding impairment loss, are generally immaterial. The deferred commission income as at the balance sheet date is generally recognized in profit or loss in the following period. Subsequent changes to income are immaterial in Vontobel's fee and commission business.

3 Trading income

(6 MONTHS)	30.06.2018	30.06.2017	31.12.2017	CHANGE TO 30.06.2017	
	CHF MN	CHF MN	CHF MN	CHF MN	IN %
Securities	-293.3	353.9	535.3	-647.2	
Other financial instruments at fair value	440.7	-220.8	-406.5	661.5	
Forex and precious metals	18.9	10.4	16.5	8.5	82
Total	166.3	143.5	145.3	22.8	16

Trading income as of 30.06.2018 includes income of CHF 6.2 mn (6 months ending 30.06.2017: CHF 1.9 mn; 6 months ending 31.12.2017: CHF 0.6 mn), which is attributable to changes in fair value due to a change in Vontobel's own credit risk. Of the total impact, CHF -0.1 mn was realized as of 30.06.2018 (6 months ending 30.06.2017: CHF -0.6 mn; 6 months ending 31.12.2017: CHF -0.2 mn), while the remaining CHF 6.3 mn (6 months ending 30.06.2017: CHF 2.5 mn; 6 months ending 31.12.2017: CHF 0.8 mn) comprises unrealized income. The changes in own credit risk resulted in cumulative income of CHF 9.5 mn, of which CHF 3.8 mn was realized and CHF 5.7 mn was unrealized. Cumulative unrealized income is shown in the balance sheet item "Other financial liabilities at fair value" and will be completely reversed over the term of the relevant instruments provided they are not redeemed or repurchased prior to their contractual maturity.

To determine unrealized income due to a change in own credit risk, the first step is the calculation of the risk premium of the instrument at the balance sheet date. This is the difference between the fair value of the instrument at the balance sheet date and the value that would result without taking account of own credit risk at the balance sheet date. In a second step, the risk premium of the instrument at the time of issue is determined and reduced in relation to the period between the balance sheet date and the time of issue on the one hand, and the total lifetime of the instrument on the other hand ("adjusted risk premium at the time of issue"). In a third step, cumulative unrealized income is calculated as the difference between the risk premium at the balance sheet date and the adjusted risk premium at the time of issue. The unrealized income for the period is the result of the change in cumulative unrealized income during the corresponding period. The realized income due to the change in own credit risk is essentially calculated in the same way and is the result of the difference between the risk premium at the time of redemption of the product and the adjusted risk premium at the time of issue.

Under IFRS 9, the impact of the change in own credit risk of financial liabilities, for which the fair value option is applied, is generally recorded in other comprehensive income. However, if this treatment would create or enlarge an accounting mismatch in profit or loss, the corresponding impact should be recorded in profit or loss. At Vontobel, the fair value option is applied exclusively to issued structured products. They essentially consist of an interest component and an option component. The risks from the interest component are hedged with a portfolio of bonds, interest rate swaps and credit default swaps. The risks

from the option component are hedged with a portfolio of derivatives and the corresponding underlyings. The structured products in the balance sheet item "Other liabilities at fair value" and the corresponding hedging transactions are managed at portfolio level to achieve the highest possible hedge and consequently the lowest possible fluctuations in value at portfolio level. Market risks in the form of general interest rate risks, currency risks and option risks are subject to low sensitivity and volume limits, resulting in low Value-at-Risk and stress exposure figures. In terms of fluctuations in value due to changes in credit risk premiums, there is a close economic relationship between the assets and liabilities sides in two respects. On the one hand, the Vontobel credit risk premiums included in the structured products (liabilities side) and the issuer's credit risk premiums contained in the hedging positions (assets side) are subject to general market movements (increase or decrease in credit risk premiums). On the other hand, in view of the significant importance of the issuing business for Vontobel, the credit risk premiums on hedging positions observable in the market have an impact on Vontobel's credit risk premium. As of June 30, 2018, the balance sheet item "Other financial liabilities at fair value" corresponded to 38 % of the Vontobel Group's total assets and 546 % of shareholders' equity. To assess whether the impact of the change in own credit risk ("impact on the liabilities side") should be recognized in profit or loss or in other comprehensive income, Vontobel has, for the period 2008 to 2017, compared the income from changes in credit risk premiums on the assets side ("impact on the assets side") with the income from changes in credit risk premiums from the entire issuing business ("net impact" as the total from the impact on the assets side and the impact on the liabilities side). The (absolute) net impact

over this period – particularly in times of increased volatility of the credit risk premiums – is significantly lower than the (absolute) impact on the assets side. This means that the impact on the liabilities side has a compensating effect on the impact on the assets side. In addition, the net impact is significantly less volatile than the impact on the assets side. If the impact of a change in own credit risk was recognized in other comprehensive income, net profit over this period would also have been much more volatile.

For this reason, Vontobel has concluded that it is appropriate to recognize the impact of the change in own credit risk in profit or loss. As a result, income from structured products is recognized fully in profit or loss and is thus treated in the same way as the corresponding hedging positions. The treatment of the impact of the change in own credit risk of these liabilities reflects a material judgement.

4 Other income

(6 MONTHS)	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE TO 30.06.2017	
				CHF MN	IN %
Real estate income	0.0	0.0	0.0	0.0	
Income from the sale of property and equipment	0.0	0.0	0.0	0.0	
Income from the sale of debt instruments in financial investments ¹	-0.1	3.5	2.5	-3.6	
Impairments of financial investments ²		0.0	-0.1	0.0	
Income from investments in associates	0.4	0.2	0.5	0.2	100
Other income	1.0	2.0	1.3	-1.0	-50
Total	1.3	5.7	4.2	-4.4	-77

1 In the financial year 2017, this item included income from the sale of equity securities and units in investment funds that were classified as "available-for-sale" under IAS 39.

2 In the financial year 2017, this item included impairment losses and reversals on equity securities and units in investment funds that were classified as "available-for-sale" under IAS 39.

5 Personnel expense

(6 MONTHS)	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE TO 30.06.2017	
				CHF MN	IN %
Salaries and bonuses	235.7	217.4	228.0	18.3	8
Pension and other employee benefit plans ¹	12.4	17.8	18.0	-5.4	-30
Other social contributions	19.9	19.0	17.8	0.9	5
Other personnel expense	8.6	7.9	6.7	0.7	9
Total	276.6	262.1	270.5	14.5	6

Personnel expense includes the expense for share-based compensation of CHF 17.4 mn (6 months ending 30.06.2017: CHF 15.9 mn; 6 months ending 31.12.2017: CHF 16.7 mn), of which CHF 13.6 mn (6 months ending 30.06.2017: CHF 12.7 mn; 6 months ending 31.12.2017: CHF 12.9 mn) relates to performance shares and CHF 3.8 mn (6 months ending 30.06.2017: CHF 3.2 mn; 6 months ending 31.12.2017: CHF 3.8 mn) to the awarding of bonus shares at preferential terms as well as deferred compensation in cash of CHF 1.6 mn (6 months ending 30.06.2017: CHF 1.3 mn; 6 months ending 31.12.2017: CHF 1.1 mn).

1 As of 30.06.2018: Expense from pension and other employee benefit plans includes the impacts of changes to Swiss pension fund regulations in the amount of CHF 7.4 mn (primarily the reduction of conversion rates).

6 General expense

(6 MONTHS)	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE TO 30.06.2017	
				CHF MN	IN %
Occupancy expense	16.0	16.7	16.3	-0.7	-4
IT, telecommunications and other equipment	39.2	38.9	32.8	0.3	1
Travel and representation, public relations, marketing	20.7	18.8	24.3	1.9	10
Consulting and audit fees	14.9	12.9	13.9	2.0	16
Other general expense	20.5	14.5	15.9	6.0	41
Total	111.3	101.8	103.2	9.5	9

7 Depreciation of property, equipment and intangible assets

(6 MONTHS)	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE TO 30.06.2017	
				CHF MN	IN %
Depreciation of property and equipment	25.9	25.9	25.2	0.0	0
Amortization of other intangible assets	6.2	3.8	5.5	2.4	63
Impairments of property and equipment	0.0	0.0	0.6	0.0	
Total	32.1	29.7	31.3	2.4	8

8 Provisions and losses

(6 MONTHS)	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE TO 30.06.2017	
				CHF MN	IN %
Increase in provisions	1.8	1.3	5.3	0.5	38
Release of provisions	-0.1	-0.2	0.0	0.1	
Recoveries	0.1	0.0	0.0	0.1	
Other	0.6	0.3	-4.5	0.3	100
Total	2.4	1.4	0.8	1.0	71

9 Taxes

(6 MONTHS)	30.06.2018 CHF MN	30.06.2017 CHF MN	31.12.2017 CHF MN	CHANGE TO 30.06.2017	
				CHF MN	IN %
Current income taxes	22.1	18.5	24.8	3.6	19
Deferred income taxes	6.1	2.5	4.5	3.6	144
Total	28.2	21.0	29.3	7.2	34

10 Tax effects to other comprehensive income

30.06.2018			
	AMOUNT BEFORE TAX	TAX INCOME/ (EXPENSE)	AMOUNT NET OF TAX
CHF MN (6 MONTHS)			
Translation differences during the reporting period	1.4	0.0	1.4
Translation differences transferred to the income statement	0.0	0.0	0.0
Income from debt instruments in financial investments during the reporting period	-10.2	2.1	-8.1
Income from debt instruments in financial investments transferred to the income statement	0.3	-0.1	0.2
Income from cash flow hedges during the reporting period	-0.9	0.0	-0.9
Income from cash flow hedges transferred to the income statement	0.0	0.0	0.0
Income from equity instruments in financial investments	-1.0	0.2	-0.8
Income from defined benefit pension plans	1.0	-0.2	0.8
Total other comprehensive income	-9.4	2.0	-7.4

30.06.2017			
	AMOUNT BEFORE TAX	TAX INCOME/ (EXPENSE)	AMOUNT NET OF TAX
CHF MN (6 MONTHS)			
Translation differences during the reporting period	-7.6	0.0	-7.6
Translation differences transferred to the income statement	0.0	0.0	0.0
Income from debt instruments in financial investments during the reporting period	3.3	-0.9	2.4
Income from debt instruments in financial investments transferred to the income statement	-3.1	0.8	-2.3
Income from cash flow hedges during the reporting period	0.2	0.0	0.2
Income from cash flow hedges transferred to the income statement	0.0	0.0	0.0
Income from equity instruments in financial investments			
Income from defined benefit pension plans	15.1	-3.3	11.8
Total other comprehensive income	7.9	-3.4	4.5

31.12.2017			
	AMOUNT BEFORE TAX	TAX INCOME/ (EXPENSE)	AMOUNT NET OF TAX
CHF MN (6 MONTHS)			
Translation differences during the reporting period	9.2	0.0	9.2
Translation differences transferred to the income statement	0.0	0.0	0.0
Income from debt instruments in financial investments during the reporting period	-6.6	1.5	-5.1
Income from debt instruments in financial investments transferred to the income statement	-1.4	0.2	-1.2
Income from cash flow hedges during the reporting period	-0.8	0.1	-0.7
Income from cash flow hedges transferred to the income statement	0.0	0.0	0.0
Income from equity instruments in financial investments			
Income from defined benefit pension plans	-2.9	0.7	-2.2
Total other comprehensive income	-2.5	2.5	0.0

Risk related to balance sheet

11 Fair value of financial instruments

11a Financial instruments measured at fair value

The following table shows the fair value hierarchy of those financial instruments that are measured at fair value. Fair

value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial instruments measured at fair value

CHF MN	LEVEL 1	LEVEL 2	LEVEL 3	30.06.2018 TOTAL
Assets				
Trading portfolio assets	3,426.0	53.2	0.1	3,479.3
<i>Debt instruments</i>	267.4	53.2	-	320.6
<i>Equity instruments</i>	2,374.5	-	0.0	2,374.5
<i>Units in investment funds</i>	155.5	0.0	0.1	155.6
<i>Precious metals and cryptocurrencies</i>	628.6	-	-	628.6
Positive replacement values	50.5	147.7	0.0	198.2
Other financial assets at fair value	2,933.9	1,309.0	5.6	4,248.5
<i>Debt instruments</i> ¹	2,873.0	1,271.6	-	4,144.6
<i>Equity instruments</i>	0.0	-	1.9	1.9
<i>Units in investment funds</i>	60.9	0.3	3.7	64.9
<i>Structured products</i>	-	37.1	-	37.1
Financial investments	1,817.3	23.7	68.7	1,909.7
<i>Debt instruments</i>	1,817.3	23.7	-	1,841.0
<i>Equity instruments</i>	0.0	-	68.7	68.7
Other assets	0.0	0.0	1.1	1.1
Total financial assets at fair value	8,227.7	1,533.6	75.5	9,836.8
Liabilities				
Trading portfolio liabilities	143.0	4.7	0.0	147.7
<i>Debt instruments</i>	101.1	4.7	-	105.8
<i>Equity instruments</i>	41.9	-	0.0	41.9
<i>Units in investment funds</i>	0.0	0.0	0.0	0.0
Negative replacement values	173.2	644.3	-	817.5
Other financial liabilities at fair value ²	-	9,170.7	-	9,170.7
Other liabilities	0.0	0.0	76.1	76.1
Total financial liabilities at fair value	316.2	9,819.7	76.1	10,212.0

1 In the case of debt instruments measured at fair value through profit and loss, the difference between the book value (fair value) and the contractually agreed redemption amount at maturity was CHF 27.3 mn.

2 Level 2 of the balance sheet item "Other financial liabilities at fair value" contains listed issued products with a fair value of CHF 4'830.6 mn.

Financial instruments measured at fair value

CHF MN	LEVEL 1	LEVEL 2	LEVEL 3	31.12.2017 TOTAL
Assets				
Trading portfolio assets	3,936.9	54.0	0.3	3,991.2
<i>Debt instruments</i>	277.6	53.9	-	331.5
<i>Equity instruments</i>	2,651.9	-	0.0	2,651.9
<i>Units in investment funds</i>	166.8	0.1	0.3	167.2
<i>Precious metals and cryptocurrencies</i>	840.6	-	-	840.6
Positive replacement values	33.3	210.6	0.0	243.9
Other financial assets at fair value	2,623.5	861.9	5.5	3,490.9
<i>Debt instruments¹</i>	2,590.7	829.0	-	3,419.7
<i>Units in investment funds</i>	32.8	9.2	5.5	47.5
<i>Structured products</i>	-	23.7	-	23.7
Financial investments	1,749.5	24.6	14.8	1,788.9
<i>Debt instruments</i>	1,748.6	24.4	-	1,773.0
<i>Equity instruments</i>	0.2	-	14.8	15.0
<i>Units in investment funds</i>	0.7	0.2	0.0	0.9
Other assets	8.3	0.0	0.0	8.3
Total financial assets at fair value	8,351.5	1,151.1	20.6	9,523.2
Liabilities				
Trading portfolio liabilities	153.0	5.2	0.0	158.2
<i>Debt instruments</i>	100.8	5.2	-	106.0
<i>Equity instruments</i>	52.2	-	0.0	52.2
<i>Units in investment funds</i>	0.0	0.0	0.0	0.0
Negative replacement values	47.9	677.7	-	725.6
Other financial liabilities at fair value ²	-	8,451.3	-	8,451.3
Other liabilities	0.6	0.0	74.4	75.0
Total financial liabilities at fair value	201.5	9,134.2	74.4	9,410.1

1 In the case of debt instruments measured at fair value through profit and loss, the difference between the book value (fair value) and the contractually agreed redemption amount at maturity was CHF 37.3 mn.

2 Level 2 of the balance sheet item "Other financial liabilities at fair value" contains listed issued products with a fair value of CHF 4,951.8 mn.

Level-1-Instrumente

In the fair value hierarchy defined in IFRS 13, level 1 instruments are those financial instruments whose fair value is based on quoted prices in active markets. This category essentially comprises almost all equity instruments and government bonds, liquid debt instruments issued by public sector entities and companies, investment funds for which a binding net asset value is published at least daily, exchange-traded derivatives, precious metals and cryptocurrencies.

Mid-market prices are used for the valuation of debt instruments in the trading book provided the market price risks from these positions are offset fully or to a significant extent by other positions in the trading book. For the valuation of other debt instruments, bid prices are used in the case of long positions and ask prices are used in the case

of short positions. For equity instruments, listed investment funds and exchange-traded derivatives, the closing or settlement prices of the relevant markets are used. Published net asset values are used in the case of unlisted investment funds. In the case of foreign currencies, precious metals and cryptocurrencies, generally accepted prices are applied.

No valuation adjustments are made in the case of level 1 instruments.

Level-2-Instrumente

Level 2 instruments are financial instruments whose fair value is based on quoted prices in markets that are not active or on a valuation method where significant input parameters can be observed directly or indirectly. They mainly comprise products issued by Vontobel, debt instru-

ments issued by public sector entities and companies with reduced market liquidity and OTC derivatives, as well as investment funds for which a binding net asset value is published at least quarterly.

Since there is no active market pursuant to the definition of IFRS 13 for the products issued by Vontobel, their fair value is determined using valuation methods. In the case of issued options (warrants) and option components of structured products, generally recognized option pricing models and quoted prices in markets that are not active are used to determine their fair value, while the present value method is used to determine the fair value of the interest rate components of structured products. To measure the fair value of debt instruments where quoted prices are available but the low trading volume means there is no active market, the same rules apply to the use of mid-market prices and bid or ask prices as for the corresponding level 1 instruments. The valuation of debt instruments for which no quoted prices are available is carried out using generally recognized methods. For the valuation of OTC derivatives, generally recognized valuation models and quoted prices in markets that are not active are used. Published net asset values are used in the case of investment funds.

The valuation models take account of the relevant parameters such as contract specifications, the market price of the underlying asset, foreign exchange rates, market interest rates or funding rates, default risks and volatility. Vontobel's credit risk is only taken into account when determining the fair value of financial liabilities if market participants would consider it when calculating prices. OTC derivatives are traded only on a collateralized basis, which is why own credit risk (as well as third-party credit risk in the case of receivables) is not included in the valuation.

Level-3-Instrumente

Level 3 instruments are financial instruments whose fair value is based on a valuation method that uses at least one significant input parameter that cannot be observed directly or indirectly in the market. They include primarily the liability to acquire the minority interests in TwentyFour Asset Management LLP, the liability from an earn-out agreement relating to the acquisition of the Eastern European client portfolio of Notenstein La Roche, investment funds for which a binding net asset value is not published at least quarterly, and several unlisted equity instruments. An asset from an earn-out agreement related to the acquisition of Finter Bank Zurich AG was settled in the financial year 2017.

The fair value of the liability to acquire minority interests in TwentyFour Asset Management LLP is calculated using a discounted cash flow analysis in which expected future cash flows based on internal business plans are discounted. This involves various input parameters that cannot be observed such as the future development of assets under management, their profitability, the cost/income ratio and long-term growth.

The fair value of the liability from the earn-out agreement relating to the acquisition of the Eastern European client portfolio of Notenstein La Roche depends on individual contractually agreed Key Performance Indicators for the acquired activities. The value of this liability is determined on the basis of internal business plans.

The fair value of investment funds is generally calculated using estimates from external experts regarding the level of future payouts from fund units. The measurement of unquoted equity securities is based on the proportionate share of the net asset value, taking account of any further measurement-relevant factors.

The following table shows the change in level 3 financial instruments in Vontobel's balance sheet and the income on the positions as of the balance sheet date.

Level 3 financial instruments

CHF MN (6 MONTHS)	FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	FINANCIAL INVESTMENTS	OTHER ASSETS	30.06.2018 TOTAL FINANCIAL ASSETS	OTHER LIABILITIES ¹	30.06.2018 TOTAL FINANCIAL LIABILITIES
Balance sheet						
Holdings at the beginning of the year	5.8	14.8	0.0	20.6	-74.4	-74.4
Impact of changes to the accounting principles	2.2	54.9	0.0	57.1	0.0	0.0
Additions in scope of consolidations	0.0	0.0	0.0	0.0	0.0	0.0
Disposals from scope of consolidation	0.0	0.0	1.1	1.1	0.0	0.0
Investments	0.0	0.0	0.0	0.0	0.0	0.0
Disposals	-0.6	0.0	0.0	-0.6	0.0	0.0
Redemptions	0.0	0.0	0.0	0.0	2.3	2.3
Expense recognized in the income statement	-2.1	0.0	0.0	-2.1	-0.4	-0.4
Expense recognized in other comprehensive income	0.0	-1.0	0.0	-1.0	0.0	0.0
Income recognized in the income statement	0.4	0.0	0.0	0.4	0.0	0.0
Income recognized in other comprehensive income	0.0	0.0	0.0	0.0	0.0	0.0
Change recognized in shareholders' equity	0.0	0.0	0.0	0.0	-5.3	-5.3
Reclassifications to level 3	0.0	0.0	0.0	0.0	0.0	0.0
Reclassifications from level 3	0.0	0.0	0.0	0.0	1.7	1.7
Translation differences	0.0	0.0	0.0	0.0	0.0	0.0
Total book value at balance sheet date	5.7	68.7	1.1	75.5	-76.1	-76.1
Income in the financial year on holdings on balance sheet date						
Unrealized losses recognized in the trading income	-2.2	0.0	0.0	-2.2	0.0	0.0
Unrealized losses recognized in other income	-0.0	0.0	0.0	0.0	0.0	0.0
Expense recognized in operating expense	0.0	0.0	0.0	0.0	-0.4	-0.4
Unrealized losses recognized as other comprehensive income	0.0	-1.0	0.0	-1.0	0.0	0.0
Unrealized gains recognized in the trading income	0.0	0.0	0.0	0.0	0.0	0.0
Unrealized gains recognized in other income	0.0	0.0	0.0	0.0	0.0	0.0
Unrealized gains recognized as other comprehensive income	0.0	0.0	0.0	0.0	0.0	0.0

Of the gains and losses recognized in the income statement, CHF -1.7 mn were included in trading income, CHF 0.0 mn in other income and CHF -0.4 mn in operating expense.

1 This item contains the liability to acquire the minority interests in TwentyFour Asset Management LLP (30.06.2018: CHF 63.1 Mio.; 31.12.2017: CHF 57.4 Mio.) and the liability from an earn-out-agreement relating to the acquisition of the Eastern client portfolio of Notenstein La Roche (30.06.2018: CHF 13.0 Mio.; 31.12.2017: CHF 17.0 Mio.).

Level 3 financial instruments

CHF MN (6 MONTHS)	FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	FINANCIAL INVESTMENTS	OTHER ASSETS ¹	30.06.2017 TOTAL FINANCIAL ASSETS	OTHER LIABILITIES ²	30.06.2017 TOTAL FINANCIAL LIABILITIES
Balance sheet						
Holdings at the beginning of the year	6.2	14.9	3.7	24.8	-50.3	-50.3
Additions in scope of consolidations	0.0	0.0	0.0	0.0	0.0	0.0
Investments	0.0	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	0.0	0.0	0.0	0.0
Redemptions	-0.3	0.0	0.0	-0.3	0.0	0.0
Expense recognized in the income statement	-0.4	0.0	0.0	-0.4	-0.4	-0.4
Expense recognized in other comprehensive income	0.0	-0.1	0.0	-0.1	0.0	0.0
Income recognized in the income statement	0.1	0.0	0.0	0.1	0.0	0.0
Income recognized in other comprehensive income	0.0	0.0	0.0	0.0	0.0	0.0
Change recognized in shareholders' equity	0.0	0.0	0.0	0.0	-3.0	-3.0
Reclassifications to level 3	0.0	0.0	0.0	0.0	0.0	0.0
Reclassifications from level 3	0.0	0.0	0.0	0.0	0.0	0.0
Translation differences	0.0	0.0	0.0	0.0	0.5	0.5
Total book value at balance sheet date	5.6	14.8	3.7	24.1	-53.2	-53.2
Income in the financial year on holdings on balance sheet date						
Unrealized losses recognized in the trading income	-0.4	0.0	0.0	-0.4	0.0	0.0
Unrealized losses recognized in other income	0.0	0.0	0.0	0.0	0.0	0.0
Expense recognized in operating expense	0.0	0.0	0.0	0.0	-0.4	-0.4
Unrealized losses recognized as other comprehensive income	0.0	-0.1	0.0	-0.1	0.0	0.0
Unrealized gains recognized in the trading income	0.0	0.0	0.0	0.0	0.0	0.0
Unrealized gains recognized in other income	0.0	0.0	0.0	0.0	0.0	0.0
Unrealized gains recognized as other comprehensive income	0.0	0.0	0.0	0.0	0.0	0.0

Of the gains and losses recognized in the income statement, CHF -0.3 mn were included in trading income, CHF 0.0 mn in other income and CHF -0.4 mn in operating expense.

1 This item contains an asset from an earn-out agreement relating to the acquisition of Finter Bank Zurich AG.

2 This item contains the liability to acquire the minority interests in TwentyFour Asset Management LLP.

Valuation adjustments

The fair value of level 2 and level 3 instruments is always an estimate or an approximation of a value that cannot be determined with absolute certainty. Furthermore, the valuation methods used do not always reflect all of the factors that are relevant when determining fair value. To ensure that the valuations are appropriate, additional factors are considered in the case of products issued by Vontobel. These factors include uncertainties relating to models and parameters, as well as liquidity risks and the risk of the early redemption of the products issued. The adjustments due to uncertainties relating to the models and parameters reflect the uncertainties in the model assumptions and input parameters associated with the valuation methods used. The adjustments due to liquidity risks take account of the expected costs of hedging open net risk positions. Management believes it is necessary and appropriate to take these factors into account in order to correctly determine the fair value.

The appropriateness of the valuation of financial instruments that are not traded in an active market is ensured

Key assumptions

	VARIAION OF THE KEY ASSUMPTION	CHANGE IN THE FAIR VALUE AS OF 30.06.2018 IN CHF MN	CHANGE IN THE FAIR VALUE AS OF 31.12.2017 IN CHF MN
Discount rate	+1 percentage point	-4.6	-4.4
Discount rate	-1 percentage point	5.5	5.1
Long-term growth	+1 percentage point	2.8	2.5
Long-term growth	-1 percentage point	-2.4	-2.1

In the case of the liability from the earn-out agreement relating to the acquisition of the Eastern European client portfolio of Notenstein La Roche, a reasonably realistic change in input parameters has no significant impact on Vontobel's consolidated financial statements.

A change in the net asset value of investment funds or unquoted equity securities leads to a proportional change in fair value of these financial instruments. A reasonably realistic change in input parameters has no significant impact on Vontobel's consolidated financial statements.

Day 1 profit

When a financial instrument is recognized for the first time, the transaction price provides the best indication of the fair value unless the fair value of this financial instrument can be evidenced by comparison with other observable current market transactions involving the same instrument (level 1 instrument) or is based on a valuation method that uses market data (level 2 instrument). If this is

through the application of clearly defined methods and processes as well as independent controls. The control processes comprise the analysis and approval of new instruments, the regular analysis of risks as well as gains and losses, the verification of prices and the examination of the models on which the estimates of the fair value of financial instruments are based. These controls are conducted by units that possess the relevant specialist knowledge and operate independently from the trading and investment functions.

Sensitivity of fair values of level 3 instruments

Key assumptions for the measurement of the liability to acquire minority interests in TwentyFour Asset Management LLP are the discount rate (30.06.18: 12.0 %; 31.12.17: 12.0 %) that will be used to discount future cash flows, as well as the long-term growth of these cash flows (30.06.18: 1.0 %; 31.12.17: 1.0 %). The following table shows how the measurement is affected by changes in these two assumptions.

the case, the difference between the transaction price and the fair value – referred to as “day 1 profit” – is recorded in “Trading income” in the case of trading portfolio assets and liabilities, other financial instruments at fair value and derivative financial instruments and is recorded in “Other comprehensive income” in the case of financial investments.

In the case of level 3 instruments, the “day 1 profit” is deferred and only recognized in “Trading income” or “Other comprehensive income” when the prices of equivalent financial instruments or the underlying inputs become observable or when day 1 profit is realized. During the financial year and the previous year, no positions with deferred day 1 profit were recorded.

Reclassifications within the fair value hierarchy

In the first half 2018 (first respectively second half-year of 2017), positions with a fair value of CHF 17.1 mn (6 months ending 30.06.17: CHF 55.3 mn; 6 months ending 31.12.17:

CHF 40.4 mn) were reclassified from level 1 to level 2 and positions with a fair value of CHF 36.1 mn (6 months ending 30.06.17: CHF 21.5 mn; 6 months ending 31.12.17: CHF 31.4 mn) were reclassified from level 2 to level 1. In the event of changes in the availability of market prices (market liquidity) or of binding net asset values of investment

funds, reclassifications are made at the end of the period under review.

11b Financial instruments measured at amortized cost

The following table shows the book value, the estimated fair value and the fair value hierarchy of those financial instruments that are measured at amortized cost

Financial instruments measured at amortized cost

CHF MN	LEVEL 1	LEVEL 2	LEVEL 3	30.06.2018		31.12.2017	
				FAIR VALUE TOTAL	BOOK VALUE TOTAL	FAIR VALUE TOTAL	BOOK VALUE TOTAL
Assets							
Cash	6,441.3	0.0	-	6,441.3	6,441.3	6,287.9	6,287.9
Due from banks	-	984.5	-	984.5	984.5	1,658.7	1,658.7
Cash collateral for securities borrowing agreements	-	6.7	-	6.7	6.7	8.5	8.5
Cash collateral for reverse-repurchase agreements	-	989.2	-	989.2	989.2	1,007.2	1,007.2
Loans	-	4,373.5	-	4,373.5	4,301.9	3,351.4	3,310.5
Other assets ¹	32.9	651.4	-	684.3	684.3	436.2	436.2
Total	6,474.2	7,005.3	0.0	13,479.5	13,407.9	12,749.9	12,709.0
Liabilities							
Due to banks	-	583.6	-	583.6	583.6	1,221.3	1,221.3
Cash collateral from repurchase agreements	-	74.5	-	74.5	74.5	0.0	0.0
Due to customers	-	9,789.3	-	9,789.3	9,789.3	9,758.2	9,758.2
Debt issued	455.2	0.0	-	455.2	447.4	0.0	0.0
Other liabilities ¹	0.6	797.8	-	798.4	798.4	792.6	792.6
Total	455.8	11,245.2	0.0	11,701.0	11,693.2	11,772.1	11,772.1

1 The position mainly includes the accrued interest as well as open settlement positions.

Short-term financial instruments at amortized cost or par value

Included here are accounts due from/to banks, loans and accounts due to customers as well as cash collateral from repurchase and for reverse-repurchase and as well for securities-borrowing agreements that have a maturity or a refinancing profile of at most one year, the balance sheet item "cash", as well as financial instruments included in other assets/liabilities. In the case of short-term financial instruments, it is assumed that the book value is close enough to the fair value.

Long-term financial instruments at amortized cost

Included here are accounts due from/to banks, loans and accounts due to customers, cash collateral from repurchase and for reverse-repurchase and as well for securities-borrowing agreements that have a maturity or a refinancing profile of over one year as well as debt issued. Fair value is determined using the present value method. For the valuation of debt issued the bid price is used.

Off-balance sheet and other information

12 Off-balance sheet information

	30.06.2018 CHF MN	31.12.2017 CHF MN	CHANGE TO 31.12.2017	
			CHF MN	IN %
Contingent liabilities	352.1	608.1	-256.0	-42
Irrevocable commitments	115.9	90.2	25.7	28
Commitments for capital increases and capital contributions	0.2	0.2	0.0	0
Fiduciary transactions	2,021.3	1,608.3	413.0	26
Contract volumes of derivatives	28,061.1	27,550.4	510.7	2

13 Litigation

Vontobel agreed a mutual settlement with the authorities in the German state of North Rhine-Westphalia in connection with untaxed assets held by German clients and paid a one-off sum of approximately EUR 13.3 million in the first half of the year 2018 for which appropriate provisions for litigation risks and process risks were available.

In connection with the fraud committed by Bernard Madoff, the liquidators of investment vehicles that invested directly or indirectly in Madoff funds have filed lawsuits with various courts against more than 100 banks and custodians. The litigation is targeted at investors who redeemed their investments in these vehicles between 2004 and 2008. The liquidators are demanding that the

investors repay the sums involved because they consider them to have been obtained unjustly as a result of the redemptions. Since the liquidators often only know the names of the investors' custodian banks, they have filed the lawsuits against them. Several legal entities of Vontobel are or may be affected by the litigation in their capacity as a bank or custodian. The claims filed against Vontobel since 2010 concern the redemption of investments worth around USD 43.1 mn. However, based on the information currently available to it, Vontobel believes the probability of a lawsuit resulting in an outflow of funds is low and has therefore decided not to set aside any provisions for such a lawsuit, but rather to disclose the amount under contingent liabilities.

14 Client assets

	30.06.2018 CHF BN	31.12.2017 CHF BN	CHANGE TO 31.12.2017	
			CHF BN	IN %
Assets under management	168.6	165.3	3.3	2
Other advised client assets	13.4	12.8	0.6	5
Structured products outstanding	9.3	8.5	0.8	9
Total advised client assets	191.2	186.6	4.6	2
Custody assets	62.3	59.9	2.4	4
Total client assets	253.6	246.5	7.1	3

Client assets

Client assets is a broader term than assets under management and comprises all bankable assets that are managed by or deposited with Vontobel, including assets that are held solely for transaction or custody purposes and for which further services are provided, as well as investment products offered by Financial Products to give private and institutional clients access to all asset classes and markets.

Assets under management

	30.06.2018 CHF BN	31.12.2017 CHF BN	CHANGE TO 31.12.2017	
			CHF BN	IN %
Assets in self-managed collective investment instruments	51.2	48.3	2.9	6
Assets with management mandate	63.6	64.4	-0.8	-1
Other assets under management	53.8	52.6	1.2	2
Total assets under management (including double counts)	168.6	165.3	3.3	2
<i>of which double counts</i>	<i>4.5</i>	<i>4.4</i>	<i>0.1</i>	<i>2</i>

Calculation in accordance with the guidelines issued by the Swiss Financial Market Supervisory Authority (FINMA) concerning accounting standards for financial institutions and Vontobel internal guidelines

Development of assets under management

CHF BN	30.06.2018	30.06.2017	31.12.2017
Total assets under management (incl. double counts) at the beginning of the period	165.3	138.5	138.5
Change attributable to net new money	5.1	0.3	5.9
Change attributable to market value	-1.0	8.2	18.8
Change attributable to other effects ¹	-0.9	-0.5	2.1
Total assets under management (incl. double counts) at the balance sheet date	168.6	146.5	165.3

1 As of 30.06.2018: Sale of the Liechtenstein operation in February 2018

As of 30.06.2017: The decrease in assets under management reflects the reclassification of certain assets (CHF 0.5 bn) that are not held for investment purposes.

As of 31.12.2017: Acquisition of the Eastern European client portfolio of Notenstein La Roche in December 2017

Assets under management and net inflows/outflows of new money

Assets under management are calculated and reported in accordance with the guidelines issued by the Swiss Financial Market Supervisory Authority (FINMA) concerning accounting standards for financial institutions. Assets under management comprise all of the assets managed or held for investment purposes of private, corporate and institutional clients excluding borrowings, as well as assets in self-managed collective investment instruments. This includes all amounts due to customers on savings and deposit accounts, fixed-term and fiduciary deposits, and all valued assets. Assets under management that are deposited with third parties are included to the extent that they are managed by a Vontobel company. Assets under management only include those assets on which Vontobel generates considerably higher income than on assets that are held solely for custody purposes or the execution of transactions. These types of custody assets are reported separately. Assets that are counted more than once, i. e. in several categories of assets under management to be disclosed, are shown under double counts. They primarily include shares in self-managed collective investment instruments in client portfolios.

Net inflows or outflows of assets under management during the reporting period consist of the acquisition of new clients, the departure of clients as well as inflows and outflows of assets from existing clients. This also includes borrowing and the repayment of loans. The calculation of the net inflow or outflow of new money is performed at the level "total assets under management" (excl. double counts). If there is a change in the service provided, resulting in the reclassification of assets under management as assets held for custody purposes or vice versa, this is recorded as an outflow of new money or an inflow of new money, respectively. Securities-related and currency-related changes in market value, interest income and dividends, fee charges, loan interest paid and the impacts of acquisitions and disposals in Vontobel's subsidiaries or businesses do not constitute inflows or outflows of assets.

15 Events after the balance sheet date

Vontobel acquired 100% of Notenstein La Roche Privatbank AG from Raiffeisen Switzerland on July 2, 2018. This acquisition complements Vontobel's organic growth in wealth management and in business with External Asset Managers (EAM). Beyond that Vontobel strengthens its presence in its Swiss home market through the addition of 13 locations where Notenstein La Roche operates. Notenstein La Roche will be integrated into Vontobel, with the realization of existing synergies.

The contractually agreed purchase price is estimated to be around CHF 700 million and will be paid in cash in two tranches. The purchase price consists of the capital of Notenstein La Roche as of the acquisition date plus 1.78% of assets under management at signing in the amount of CHF 16.4 billion. Due to the short period of time between the acquisition date and the approval of the Half-Year Report 2018, the definitive purchase price, purchase price allocation and other disclosures required under IFRS 3 can only be provided in the Annual Report 2018.

Vontobel financed the acquisition through available capital and a CHF 450 million Additional Tier 1 (AT1) bond with a coupon of 2.625%, which was placed in the market at an issue price of 100% in June 2018. The AT1 bond was recognized in the balance sheet item "Debt issued" at issuance. Further information on the treatment of the AT1 bond in the consolidated financial statements is provided in "IFRS 9 accounting principles".

Apart from that no events have occurred since the balance sheet date that affect the relevance of the information provided in the half-year 2018 financial statements and would therefore need to be disclosed.

Segment reporting

16 Segment reporting principles

External segment reporting reflects the organizational structure of Vontobel as well as internal management reporting, which forms the basis for the assessment of the financial performance of the segments and the allocation of resources to the segments.

Vontobel comprises the following divisions, which represent the operating and reportable segments according to IFRS 8. They provide the following services to clients:

Wealth Management

Wealth Management encompasses portfolio management services for private clients, investment advisory, custodian services, financial advisory services relating to legal, inheritance and tax matters, lending against collateral, mortgage loans, pension advice and wealth consolidation services.

Asset Management

Asset Management specializes in active asset management, and is positioned as a multi-boutique provider. Its products are distributed to institutional clients, indirectly through wholesale channels, and also by cooperation partners.

Investment Banking

Investment Banking focuses on the structured products and derivatives business, services for external asset managers, brokerage, corporate finance, securities and foreign exchange trading, and securities services supplied by Transaction Banking.

Corporate Center

The Corporate Center provides core services for the divisions, and comprises the support units Operations, Finance & Risk, and Corporate Services as well as the Board of Directors support units.

Income, expenses, assets and liabilities are allocated to the divisions on the basis of client responsibility or according to the principle of origination. Items that cannot be allocated directly to the divisions are reported in the Corporate Center accounts. The Corporate Center also includes consolidating entries.

The costs of the services supplied internally are reported in the item "Services from/to other segment(s)" as a reduction in costs for the service provider and as an increase in costs for the recipient, based on agreements that are renegotiated periodically according to the same principle as if they were concluded between independent third parties ("at arm's length").

Segment reporting

CHF MN (6 MONTHS)	WEALTH MANAGEMENT	ASSET MANAGEMENT	INVESTMENT BANKING	CORPORATE CENTER	30.06.2018 TOTAL
Net interest income after credit losses	25.6	0.2	5.6	5.7	37.2
Net fee and commission income	119.3	234.9	41.8	-17.6	378.5
Trading income and other operating income	10.0	-0.4	140.5	17.4	167.6
Total operating income	154.9	234.8	187.9	5.6	583.3
Personnel expense ¹	61.3	88.7	63.1	63.4	276.6
General expense	7.7	26.3	31.6	45.7	111.3
Services from/to other segment(s)	40.8	22.5	23.0	-86.3	0.0
Depreciation of property, equipment and intangible assets	2.4	4.1	3.2	22.4	32.1
Provisions and losses	0.3	0.7	1.2	0.2	2.4
Total operating expense	112.5	142.3	122.2	45.4	422.4
Segment profit before taxes	42.4	92.5	65.7	-39.8	160.9
Taxes					28.2
Net profit					132.7
<i>of which minority interests</i>					4.9
Additional information					
Segment assets	3,509.6	466.5	10,083.6	9,922.3	23,981.9
Segment liabilities	7,330.3	853.2	13,245.3	874.4	22,303.1
Allocated equity according to BIS ²	170.5	270.0	242.7	98.7	781.9
Client assets (CHF bn)	45.9	124.2	85.3	-1.9	253.6
Net new money (CHF bn)	1.3	3.8	0.0	0.1	5.1
Capital expenditure	0.0	0.0	0.8	22.2	23.0
Employees (full-time equivalents)	397.0	406.4	393.4	498.4	1,695.2

1 Personnel expense includes the impacts of changes to Swiss pension fund regulations in the amount of CHF 7.4 mn (primarily the reduction of conversion rates). This positive impact was broken down according to the employer contributions made during the reporting period and allocated to the business units (Wealth Management CHF 2.0 mn; Asset Management CHF 1.5 mn; Investment Banking CHF 1.7 mn; Corporate Center CHF 2.2 mn).

2 The allocation of the regulatory capital required in accordance with BIS standards to the individual segments is based on the principle of origination. With regard to capital requirements for credit risks related to balance sheet assets, allocation is based on guidelines analogous to those used for reporting segmental assets. The prescribed deduction of CHF 284.5 mn from core capital for intangible assets has been included in the figures above of the divisions Wealth Management and Asset Management. The valuation adjustments of own liabilities are assigned to the Investment Banking division. The deduction of CHF 48.7 mn from core capital for treasury shares is not included in the figures above.

Information on regions¹

CHF MN (6 MONTHS)	SWITZERLAND	EUROPE EXCL. SWITZERLAND	AMERICAS	OTHER COUNTRIES ²	CONSOLI- DATION	30.06.2018 TOTAL
Operating income related to external customers	322.1	139.7	62.1	59.4		583.3
Assets	15,771.7	723.9	84.7	9,364.7	-1,963.2	23,981.9
Property, equipment and intangible assets	359.3	78.4	2.4	1.3		441.4
Capital expenditure	21.9	0.9	0.3	0.0		23.0

1 Reporting is based on operating locations.

1 Mainly U.A.E.

Segment reporting

CHF MN (6 MONTHS)	WEALTH MANAGEMENT	ASSET MANAGEMENT	INVESTMENT BANKING	CORPORATE CENTER	30.06.2017 TOTAL
Net interest income after credit losses	15.9	0.1	4.7	13.9	34.7
Net fee and commission income	106.6	200.2	42.5	-15.7	333.6
Trading income and other operating income	9.4	1.4	121.6	16.8	149.2
Total operating income	131.9	201.7	168.8	15.0	517.5
Personnel expense	55.4	82.3	59.4	65.0	262.1
General expense	7.7	21.9	24.7	47.5	101.8
Services from/to other segment(s)	40.0	25.4	19.2	-84.6	0.0
Depreciation of property, equipment and intangible assets	1.5	2.5	2.7	23.0	29.7
Provisions and losses	0.2	0.1	0.0	1.0	1.4
Total operating expense	104.8	132.2	106.0	51.9	395.0
Segment profit before taxes	27.1	69.5	62.8	-36.9	122.5
Taxes					21.0
Net profit					101.5
<i>of which minority interests</i>					2.8
Additional information					
Segment assets	2,559.9	477.0	6,895.2	11,234.0	21,166.1
Segment liabilities	7,002.8	743.7	10,070.6	1,833.3	19,650.4
Allocated equity according to BIS ¹	145.2	270.0	209.9	98.8	723.9
Client assets (CHF bn)	41.2	106.8	62.6	-2.9	207.7
Net new money (CHF bn)	1.0	-1.7	1.0	0.0	0.3
Capital expenditure	0.0	0.0	0.0	21.8	21.8
Employees (full-time equivalents)	390.3	398.5	376.9	477.2	1,642.9

1 The allocation of the regulatory capital required in accordance with BIS standards to the individual segments is based on the principle of origination. With regard to capital requirements for credit risks related to balance sheet assets, allocation is based on guidelines analogous to those used for reporting segmental assets. The prescribed deduction of CHF 274.4 mn from core capital for intangible assets has been included in the figures above of the divisions Wealth Management and Asset Management. The valuation adjustments of own liabilities are assigned to the Investment Banking division. The deduction of CHF 65.7 mn from core capital for treasury shares is not included in the figures above.

The reporting of interest income has changed. The figures were adapted accordingly.

Information on regions¹

CHF MN (6 MONTHS)	SWITZERLAND	EUROPE EXCL. SWITZERLAND	AMERICAS	OTHER COUNTRIES ²	CONSOLI- DATION	30.06.2017 TOTAL
Operating income related to external customers	260.4	112.4	63.3	81.4		517.5
Assets	14,806.0	606.2	142.3	7,114.8	-1,503.2	21,166.1
Property, equipment and intangible assets	342.4	77.3	2.9	1.5		424.1
Capital expenditure	21.2	0.1	0.2	0.3		21.8

1 Reporting is based on operating locations.

2 Mainly U.A.E.

Segment reporting

CHF MN (6 MONTHS)	WEALTH MANAGEMENT	ASSET MANAGEMENT	INVESTMENT BANKING	CORPORATE CENTER	31.12.2017 TOTAL
Net interest income after credit losses	22.6	0.0	5.3	6.0	33.8
Net fee and commission income	108.6	231.6	33.5	-14.4	359.3
Trading income and other operating income	9.3	1.6	121.2	17.4	149.5
Total operating income	140.5	233.2	160.0	9.0	542.6
Personnel expense	57.7	89.9	55.9	67.0	270.5
General expense	9.4	21.7	29.4	42.7	103.2
Services from / to other segment(s)	37.9	24.1	22.4	-84.4	0.0
Depreciation of property, equipment and intangible assets	1.7	4.0	2.8	22.8	31.3
Provisions and losses	0.4	0.1	0.2	0.1	0.8
Total operating expense	107.1	139.8	110.7	48.2	405.8
Segment profit before taxes	33.4	93.4	49.3	-39.2	136.8
Taxes					29.3
Net profit					107.5
<i>of which minority interests</i>					3.8
Additional information					
Segment assets	3,051.0	374.4	9,694.5	9,783.8	22,903.7
Segment liabilities	7,570.5	801.7	12,528.6	382.4	21,283.2
Allocated equity according to BIS ¹	172.7	272.6	227.8	93.8	766.9
Client assets (CHF bn)	45.8	121.3	82.2	-2.8	246.5
Net new money (CHF bn)	0.0	5.3	0.4	-0.1	5.6
Capital expenditure	0.5	0.0	1.5	51.5	53.5
Employees (full-time equivalents)	408.2	404.9	383.1	492.0	1,688.2

1 The allocation of the regulatory capital required in accordance with BIS standards to the individual segments is based on the principle of origination. With regard to capital requirements for credit risks related to balance sheet assets, allocation is based on guidelines analogous to those used for reporting segmental assets. The prescribed deduction of CHF 291.1 mn from core capital for intangible assets has been included in the figures above of the divisions Wealth Management and Asset Management. The valuation adjustments of own liabilities are assigned to the Investment Banking division. The deduction of CHF 79.6 mn from core capital for treasury shares is not included in the figures above.

The reporting of interest income has changed. The figures were adapted accordingly.

Information on regions¹

CHF MN (6 MONTHS)	SWITZERLAND	EUROPE EXCL. SWITZERLAND	AMERICAS	OTHER COUNTRIES ²	CONSOLI- DATION	31.12.2017 TOTAL
Operating income related to external customers	272.8	138.1	63.6	68.1		542.6
Assets	15,398.1	734.7	131.8	7,949.7	-1,310.6	22,903.7
Property, equipment and intangible assets	366.5	80.2	2.6	1.5		450.8
Capital expenditure	52.4	0.5	0.3	0.3		53.5

1 Reporting is based on operating locations.

2 Mainly U.A.E.

6. Important Information

6.1 Persons responsible

The Issuer – Vontobel Financial Products GmbH, Bockenheimer Landstraße 24, 60323 Frankfurt am Main –, the Offeror German Guarantor – Bank Vontobel Europe AG, Alter Hof 5, 80331 Munich – and the Swiss Guarantor – Vontobel Holding AG, Gotthardstrasse 43, 8002 Zurich, Switzerland – accept responsibility for the contents of this Base Prospectus in accordance with section 5 (4) WpPG and hereby declare that to the best of their knowledge the information in this Base Prospectus is correct and no material circumstances have been omitted.

However, Bank Vontobel Europe AG issues this declaration only in respect of the information relating to the German Guarantor (in section 4 of the Base Prospectus and in the Registration Document of the German Guarantor incorporated into this Base Prospectus by reference), the information relating to the German Guarantee (in section 10 of the Base Prospectus) and the information relating to the German Guarantor in the summary (in section 1 of the Base Prospectus) and the risk factors (in section 2 of the Base Prospectus and in the Registration Document of the German Guarantor).

Moreover, Vontobel Holding AG issues this declaration only in respect of the information relating to the Swiss Guarantor (in section 5 of the Base Prospectus and in the Registration Document of the Swiss Guarantor incorporated into this Base Prospectus by reference), the information relating to the Swiss Guarantee (in section 11 of the Base Prospectus) and the information relating to the Swiss Guarantor in the summary (in section 1 of the Base Prospectus) and the risk factors (in section 2.6 of the Base Prospectus and in the Registration Document of the Swiss Guarantor).

In connection with the issuance, sale and offer of the Securities issued under the Base Prospectus, no person is authorised to circulate any information or make any declarations that are not contained in this Base Prospectus. The Issuer, the Offeror and the Guarantors accept no responsibility of any kind for information from third parties that is not included in the Base Prospectus. The information contained in the Base Prospectus relates to the date of the Base Prospectus and may be incorrect and/or incomplete as a result of changes that have occurred subsequently. The Issuer will publish important new circumstances or material inaccuracies relating to the information contained in the Base Prospectus in a supplement to the Base Prospectus in accordance with section 16 WpPG.

6.2 Interests of other persons involved in the issue and conflicts of interest

The interests and conflicts of interest existing within the Vontobel Group have already been described in section 2.1.17 of this Base Prospectus.

Third parties may also have an interest in commissions and/or other commercial interest in the issues to be launched under the Base Prospectus.

It should also be borne in mind that the payment of commissions, price surcharges (premium) and inducements to sales partners may generate conflicts of interest to the disadvantage of the investor, because this could create an incentive for the sales partner to sell Securities with a higher commission to its customers in preference to other products. Such commissions are included in the price of the Security or payable in the form of price surcharges (premium) in addition to the issue price.

The sales partners and investment advisers may be pursuing their own interests with respect to the sale of the Securities and their associated advisory activities. The consequence of a conflict of interest on the part of the advisers may be that the advisers make an investment decision or issue a recommendation in their own interests and not in the interests of the investors.

Bank Vontobel Europe AG (or another appointed company) will act as market maker for the Securities (the "**Market Maker**"). Through such market making activities, the Market Maker will itself determine the price of the Securities to a significant extent. As a result, the prices quoted by the Market Maker will not normally correspond to the prices that would have been established without such market making and in a liquid market.

6.3 Reasons for the offer and intention to generate profit

The Issuer's objective is to generate a profit from the new issue or increase of issue of Securities and it will use the issue and offer proceeds to hedge against risks arising from the respective issues. The proceeds from the Securities which are issued under the Base Prospectus will be used to finance the Issuer's general business activities.

For the sake of clarity: Although the Cash Amounts or performance are calculated with reference to a rate, level or price of an underlying defined in the Terms and Conditions, the Issuer is free to determine how the proceeds from the issue of the Securities are used. The proceeds will be used exclusively for the purposes of making profit and/or hedging certain risks of the Issuer. The Issuer is not obliged in any event to invest the proceeds from the Securities in the underlying or other assets.

6.4 Consent to the use of the Base Prospectus

With reference to Article 3 (2) of Directive 2003/71/EC (as amended, the "**Prospectus Directive**"), the Issuer and the Offeror consent to the use of this Base Prospectus for – where applicable in accordance with the Final Terms – public offers in the Czech Republic, Denmark, Finland, France, Hungary, Italy, The Netherlands, Norway and/or Sweden for the duration of its validity and accept responsibility for the contents of the Base Prospectus including with respect to any subsequent resale or final placement of Securities by financial intermediaries.

This consent by the Issuer and the Offeror is subject to the conditions (i) that the Base Prospectus and the Final Terms are provided to potential investors only together with all supplements published up to the time of such provision and (ii) that, in making use of the Base Prospectus and the Final Terms, every financial intermediary ensures that it complies with all applicable laws and legal requirements in force in the respective jurisdictions. The Issuer reserves the right to withdraw its consent to the use of this Base Prospectus in relation to particular distributors and/or all financial intermediaries.

The subsequent resale and final placement of the Securities by financial intermediaries may take place during the offer period, i.e. in the period from the start of the Public Offer (as specified in the Final Terms) until the end of the term of the Securities or – if the term of the Securities ends after the last day of validity of the Base Prospectus and if a base prospectus replacing this Base Prospectus has not been published on the website certificates.vontobel.com under the heading <<Legal Documents>> at the latest by the last date of validity of the Base Prospectus – until the expiry of the validity of this Base Prospectus pursuant to section 9 WpPG.

If a placement is planned by door-to-door selling in Italy as indicated in the respective Final Terms, a lead manager (the "Lead Manager") will act as "*Responsabile del Collocamento*" pursuant to Article 93 –bis of the Italian Legislative Decree n. 58 dated 14 February 1998 (the "**Italian Financial Service Act**"), as amended, in connection with the offer. The Offer Period for the Securities placed through "door-to-door selling" (pursuant to Article 30 of the Italian Financial Service Act, as amended) will be defined in the Final Terms, save in case of early termination or extension as agreed between the Issuer and the Lead Manager.

In the event of an offer being made by a financial intermediary, the financial intermediary shall provide information to investors on the terms and conditions as specified in this Base Prospectus at the time the offer is made.

Each financial intermediary using the Base Prospectus shall state on its website that it uses the Base Prospectus in accordance with the consent and the conditions attached thereto.

6.5 Conditions for the offer

The Base Prospectus may form the basis for a new issue or increase of issue of Securities that are either publicly offered within the meaning of section 3 (1) WpPG ("**Public Offer**") or are placed and at the same time admitted to trading on an organised market in accordance with one of the exemptions pursuant to section 3 (2) WpPG ("**Private Placement**"). More detailed information on an increase of issue of Securities can be found in section 7.6 of this Base Prospectus.

The Securities are issued by Vontobel Financial Products GmbH, Frankfurt am Main, underwritten in each case (on the basis of a framework agreement between the Issuer, Bank Vontobel AG and Vontobel Financial Products Ltd., Dubai International Financial Centre, United Arab Emirates, dated 7 April 2010) by Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland, (tap issue) and offered in each case by Bank Vontobel Europe AG, Munich.

Bank Vontobel AG is a wholly owned subsidiary of Vontobel Holding AG and is currently the most important fully consolidated group company in the Vontobel Group. Bank Vontobel Europe AG and Vontobel Financial Products Ltd. are also wholly owned and fully consolidated subsidiaries of Vontobel Holding AG. The respective issues of the Securities are made either under a guarantee given by Bank Vontobel Europe AG (the "**German Guarantee**", see section 10 of this Base Prospectus) or under a guarantee given by Vontobel Holding AG, Zurich (the "**Swiss Guarantee**", see section 11 of this Base Prospectus) (each a "**Guarantee**"). The relevant Guarantor in relation to the issue of Securities will be specified in the relevant Final Terms.

The Issuer is engaged in the issuance of securities, including for example the Securities presented in this Base Prospectus, as an ongoing business and the new issuance or increase of issue of securities therefore does not require any special basis documented in accordance with corporate law.

The details of the offer and of the sale of the Securities, in particular the issue date, the issue volume offered and the issue price of the Securities to be issued under the Base Prospectus together with the type of offer (Public Offer or Private Placement) will be specified in the relevant Final Terms. The issue price of the Securities will be set by Bank Vontobel Europe AG or another agent appointed by the Issuer as market maker (the "**Market Maker**").

In the case of a Public Offer of the Securities during a subscription period whose duration is specified in the related Final Terms, the details of the issue to be determined at the end of the subscription period (e.g. the strike or barrier) will be notified by the Issuer without delay after the end of the subscription period in accordance with section 12 of the General Conditions.

Investors should note that, in the event of a Public Offer of the Securities during a subscription period, the Issuer and/or the Offeror reserves the right to terminate the subscription period early or, if so provided in the Final Terms, to extend it, to satisfy subscription applications in relation to the offer only partially (in particular in the event of oversubscription), or not to proceed with the issue of the Securities, without giving reasons. In the event of the early termination or extension of the subscription period, the fixing date applying for the specification of particular features of the Securities, and accordingly the value date, may be rescheduled.

From the start of off-market trading or from the date of stock exchange listing – if provided for in the Final Terms – the price of the Securities will be determined by the Market Maker on a continuous basis. Delivery of the Securities sold will be made by the relevant paying agent via the relevant central securities depository after the issue date or – if there is a subscription period – after the expiry of the subscription period on the value date specified in the relevant Final Terms. In the case of a sale of the Securities after the value date, delivery will be made via the central securities depository specified in the Terms and Conditions in accordance with the applicable local market practices. The Issuer will announce further details relating to the issue to be determined at end of the subscription period (if necessary) after the end of the subscription period in accordance with section 12 of the General Conditions.

Interested investors may purchase or subscribe for the Securities in the context of the Public Offer in Germany and – if so provided in the Final Terms – in the Czech Republic, Denmark, Finland, France, Hungary, Italy, The Netherlands, Norway and/or Sweden at the issue price or at the selling prices quoted by the Market Maker during the term of the Securities via brokers, banks and savings banks, from the date on which the Public Offer begins specified in the respective Final Terms. The minimum trading lot is one Security in each case (unless specified otherwise in the respective Final Terms). Details of any transaction costs should be requested from the relevant sales partner or from the investor's own bank or broker. No further amounts – subject to the stipulation of a price surcharge in accordance with the following section 6.7 of this Base Prospectus – will be charged to the investor by the Issuer or the Offeror over and above the issue price and/or the selling price.

The issue size specified in the Final Terms or the total nominal amount specified in the Final Terms corresponds to the maximum number or to the maximum total nominal amount of the Securities being offered, but does not permit any conclusions to be drawn about the respective volume of Securities actually issued and deposited with the relevant custodian in accordance with the rules applicable in each case. This volume depends on the market conditions and may change during the term of the Securities.

6.6 Stock exchange listing, trading in the Securities, pricing

The Securities offered may be bought or sold during the term via brokers, banks and savings banks in principle in off-market transactions and – if so provided in the Final Terms – in stock exchange transactions. The respective Final Terms will contain information on whether an application for admission to trading on the regulated market of the Nordic Growth Market (Nordic Derivatives Exchange Denmark and/or Finland, and/or Sweden, NDX), Euronext (Amsterdam N.V. and/or Paris S.A.) and/or Mercato Telematico of securitised derivatives (SeDeX) of Borsa Italiana S.p.A., Frankfurt Stock Exchange, Stuttgart Stock Exchange or another stock exchange or equivalent market or for inclusion in trading in the regulated unofficial market of a stock exchange (such as the Frankfurt Stock Exchange (Börse Frankfurt Zertifikate Premium) or the Stuttgart Stock Exchange (EUWAX)) has been made for the Securities to be issued under this Base Prospectus.

Investors should familiarise themselves with the rules and regulations applying on the relevant stock exchanges or off-market trading systems (such as the mistrade rules) before purchasing the Securities.

Listing

Where a stock exchange listing is provided for, the Final Terms will contain details of the relevant stock exchanges and market segments to or in which the Securities are expected to be admitted or included, together with date of the planned admission or inclusion and details of the expected last exchange trading day. In this event, the Securities will also be tradable in principle in off-market transactions (as described below).

Bank Vontobel Europe AG (or another appointed company) will assume an obligation vis-à-vis the participating stock exchanges in compliance with the locally applicable rules and regulations to provide bid and offer prices for certain order or Securities volumes under reasonable market conditions (market making). Such an obligation will apply only vis-à-vis the stock exchanges involved. Third parties, such as Security Holders, cannot derive any obligation from the above. The purchasers of the Securities should therefore not assume that they will be able to sell the Securities at a particular time or at a particular price. In particular, the Market Maker is under no obligation to repurchase the Securities.

The exceptions to the binding commitment of the Market Maker to set prices apply in accordance with the relevant rules and regulations, in particular in the case of:

- special circumstances on the part of the Market Maker (e.g. telephone problems, technical faults, power failure);
- special market situations (e.g. extraordinary market movement of the underlying due to special conditions in the home market or unusual events during the pricing of the security used as the underlying) or special market situations due to serious disruptions of the economic and political position (e.g. acts of terror, crashes);
- (temporary) sell-out of the issue. In these circumstances, only a bid price must be provided and an offer price may not be provided.

Off-market trading

If only off-market trading in the Securities is provided for in the Final Terms, the relevant Securities will not be included in trading on a stock exchange. It will then be possible in principle, however, to buy or sell the Securities offered during their term in off-market transactions.

No secondary market

The Final Terms may also specify that no market making will be provided for the Securities to be issued by Bank Vontobel Europe AG (or another appointed company). In this event, investors should not assume that it will be possible to sell the relevant Securities during their term.

Pricing

Under normal market conditions, the Market Maker will quote bid and offer prices for the Securities in an issue. However, Bank Vontobel Europe AG (or another appointed company) has no obligation vis-à-vis the Security Holders either to perform the function of the Market Maker or to continue with the function of the Market Maker once taken up.

In the event of unusual market conditions or a highly volatile market environment, the Market Maker will generally not quote any bid and offer prices. The Market Maker will only quote bid and offer prices for the Securities under normal market conditions. But even under normal market conditions, it will not accept any legal obligation whatsoever vis-à-vis the Security Holders to quote such prices and to ensure that the prices it quotes are appropriate.

The issue price and the prices of the Securities set by the Market Maker in the secondary market on an ongoing basis are made up of different components. Those components are: the mathematical value of the Securities, the margin and, where applicable, any other charges or management fees. If relevant, a price surcharge (premium) is to be paid additionally to the issue price.

The mathematical value of a Security is calculated on the basis of the pricing model used in each case by the Issuer and/or the Market Maker and, in addition to the value of the underlyings, also depends on other variable factors. The other factors can include derivative components, expected income from the underlyings, the volatility of the underlyings, interest rates, the costs of collateralisation in the case of Securities with Collateralisation (COSI), the remaining term of the Securities and the supply and demand for hedging instruments. The pricing models are determined by the Issuer and/or Market Maker at its own discretion and may differ from the pricing models that other issuers and/or Market Makers use to calculate comparable securities.

The margin is also set by the Issuer and/or Market Maker at its own discretion and may differ from the margins that other issuers and/or Market Makers charge for comparable Securities. In addition to income considerations, the calculation of the margin also takes into account, among other items, the price and volatility of the underlying, supply and demand for the Securities, the cost of hedging risk, premiums for accepting risk, the costs of structuring and selling the Securities and, where applicable, licence or management fees. The margin may also include costs and commissions paid to third parties in connection with services for placing the Securities.

The Final Terms will specify whether the prices set by the Market Maker will be quoted as a monetary amount per Security or as a percentage. If the price is quoted as a percentage, they will also specify whether accrued interest will be included in the pricing.

6.7 Costs and charges

The Final Terms may provide for one-off costs, ongoing costs and/or distribution charges.

If so specified in the Final Terms, one-off costs may occur. One-off costs are regularly already included in the price of the product. In case one-off costs are not included in the price of the product, these costs are indicated separately. An example for such a separately indicated one-off cost is the price surcharge (or premium). The price surcharge refers to the additional charge that an investor in the Securities has to pay on top of the issue price. It is usually expressed as a

percentage of the issue price. The price surcharge is paid to the respective distributor; alternatively, the Issuer or the Market Maker may deliver the Securities to the respective distributor at the issue price without a price surcharge.

If so specified in the Final Terms, ongoing costs may occur. In case of products where fees at product level or at the level of the proprietary underlying (such as management or administration fees) or other ongoing costs are charged and deducted at the expense of the investor (e.g. for proprietary indices, actively managed baskets or "portfolios"), these fees or costs are indicated as ongoing costs.

If so specified in the Final Terms, distribution charges may occur. Distribution charges may be included in the one-off costs or may be paid additionally by the investor. Furthermore, distribution charges may be paid as a discount on the issue price or as an one-off and/or periodic payment by the issuer to one or more financial intermediaries. For example, the respective distributor may receive a placement commission if so indicated in the Final Terms. The placement commission is paid as a revenue-dependent distribution charge to the respective distributor. Placement commissions are paid from the sales proceeds as one-time or recurring payments; alternatively, the Issuer and/or the Market Maker may grant the respective distributor a corresponding discount on the selling price (with no price surcharge). As a further example, the respective distributor may receive a corresponding trailer fee if so specified in the Final Terms. The trailer fee (also referred to as a portfolio or trail commission) is a recurring payment to the distributor from the sales proceeds depending on the size of the portfolio.

The distributor acts independently and is not an agent of the Issuer, the Offeror or of the Market Maker. If a company of the Vontobel Group is involved in the distribution, the relevant amounts are credited to the distributing entity.

Information on any transaction costs may be obtained from the relevant distributor.

6.8 Note on currency references

References to "**euros**" or "**EUR**" in this Base Prospectus and in the Final Terms are references to the currency introduced at the beginning of the third phase of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended. All references to "**US dollars**" or "**USD**" refer to dollars of the United States of America, all references to "**CHF**" refer to francs of the Swiss Federation, all references to "**JPY**" refer to yen of the State of Japan, all references to "**HKD**" refer to dollars of the Chinese special administrative region of Hong Kong, all references to "**SGD**" refer to dollars of the Republic of Singapore, all references to "**GBP**" refer to pounds of the United Kingdom of Great Britain and Northern Ireland, all references to "**NOK**" refer to kroner of the Kingdom of Norway, all references to "**SEK**" refer to kronor of the Kingdom of Sweden, all references to "**DKK**" refer to kroner of the Kingdom of Denmark and all references to "**AUD**" refer to dollars of the Commonwealth of Australia and all references to "**CNH**" refer to renminbi of the People's Republic of China (traded offshore).

Where figures are quoted in the Final Terms in another currency, this is expressly noted with respect to the figures in question by the identification of the relevant currency or the respective currency symbol in accordance with the ISO currency codes (ISO 4217).

6.9 Selling restrictions

6.9.1 General principles

The supply, distribution or provision of this Base Prospectus and of the respective Final Terms – as a whole or in parts – as well as the offer of the Securities may be subject to legal restrictions in certain countries. The Securities may therefore not be offered or sold directly or indirectly in any country, and the Base Prospectus, corresponding advertising or other marketing documentation may not be distributed or published, except in compliance with the legal requirements applicable in each case.

The Issuer, the Guarantors and the Offeror do not provide any assurance that the distribution of the Base Prospectus or – where applicable in accordance with the relevant Final Terms – a public offer of the Securities is lawful outside the Czech Republic, Denmark, Finland, France, Hungary, Italy, The Netherlands, Norway and/or Sweden, and do not accept any responsibility that the distribution of the Base Prospectus or a public offer is permitted in any such case. Restrictions relating to the distribution of the Base Prospectus and the offer of the Securities issued under it apply in particular within and outside the European Economic Area, the United Kingdom, Switzerland, Australia, Singapore, Hong Kong and the United States of America (USA).

The Securities may only be offered or sold in the event of compliance with all applicable securities laws and other applicable requirements in force in the respective jurisdiction in which a purchase, offer, sale or delivery of Securities is intended or in which this Prospectus is distributed or deposited, and in the event that all consents and approvals necessary in that jurisdiction for the purchase, the offer, the sale or the delivery of Securities have been obtained. The Issuer hereby requires persons coming into possession of the Base Prospectus and of the respective Final Terms to review the restrictions applying in each case and to comply with them.

6.9.2 Restrictions within the European Economic Area

In relation to each Member State of the European Economic Area (EEA) which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each person offering the Securities has represented and agreed, 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 Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Securities to the public in that Relevant Member State:

- (a) if the Final Terms in relation to the Securities specify that an offer of those Securities 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 this Base Prospectus in relation to such Securities 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 Base 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 this Base Prospectus or Final Terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 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; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Securities referred to in (b) to (d) above shall require the Issuer or the Offeror 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 Securities to the public**" when used in relation to Securities 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 Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

6.9.3 Restrictions within the Czech Republic

For selling restrictions in respect of the Czech Republic, please see "Restrictions within the European Economic Area" above, with the following exceptions:

"Qualified investors" for the purpose of a Czech offering are (a) persons specified in Article 2a paragraph 1 and 2 of Act No. 256/2004 Coll., on Capital Markets Undertakings, as amended (the "**Czech Capital Markets Act**") and/or (b) persons who are considered as professional customers under Article 2b of the Czech Capital Markets Act, to the extent of trading or investment instruments relating to the offered securities.

The monetary amount relevant for the exemption from the obligation to publish a prospectus under Article 3 (2) (c), (d), and (e) of the Prospectus Directive is determined by the applicable governmental regulations, as amended and/or replaced from time to time.

6.9.4 Restrictions within Denmark

No Securities may be offered to the public in Denmark nor admitted to trading on a regulated market in Denmark unless and until (a) a prospectus in relation to those Securities has been approved by the Danish Financial Services Authority (*Finanstilsynet*) being the competent authority or, where appropriate, approved in another Relevant Member State and such competent authority has notified the Danish Financial Supervisory Authority in accordance with the Prospectus Directive and the Danish Securities Trading Act and the relevant executive orders cf. section 6.4 of this Base Prospectus or (ii) an exemption from the prospectus requirements is available pursuant to the Danish Securities Trading Act and the relevant executive orders.

6.9.5 Restrictions within Finland

The offering of the Securities in Finland is subject to the restrictions described in section 6.9.2 "Restrictions within the European Economic Area". Unless the requirements as stated in section 6.4 of the Base Prospectus are fulfilled and the relevant Final Terms specify that a public offer is made in Finland, the offering of the Securities has not been prepared to comply with the standards and requirements applicable under Finnish law, including the Finnish Securities Market Act (746/2012) as amended and it has not been approved by the Finnish Financial Supervisory Authority. Accordingly, the Securities cannot, directly or indirectly, be offered or sold in Finland other than in compliance with all applicable provisions of the laws of Finland, including the Finnish Securities Market Act (746/2012) and any regulation issued thereunder, as supplemented and amended from time to time.

6.9.6 Restrictions within France

In addition to the restrictions described in the selling restrictions for the European Economic Area, the following matters should be noted with respect to France:

Offer to the public in France:

An offer of Securities to the public (*offre au public*) in France may only be made and will only be made following (a) the approval by the *Autorité des marchés financiers* ("**AMF**") or (b) the notification of the approval of this Base Prospectus to the AMF by the BaFin (or any other competent authority of another Relevant Member State of the European Economic Area which has implemented the Prospectus Directive) and during the period beginning on the date of publication of the Final Terms relating to the offer of Securities and ending at the latest on the date which is 12 months after the date of the approval of this Base Prospectus by the BaFin (or any other competent authority of another Relevant Member State of the European Economic Area which has implemented the Prospectus Directive), all in compliance with the Prospectus Directive and the applicable laws and regulations in France (in particular Articles L.411-1, L.412-2, L. 412-1 and L. 621-8 et seq. of the French *Code monétaire et financier* and the provisions of the *Règlement général* of the AMF).

This Base Prospectus has not been submitted to the clearance procedures (*visa*) of the AMF.

Private placement in France:

Where an issue, offer or sale of Securities is implemented in respect of an exception to the public offer rules in France by way of an offer or a sale exclusively addressed to (a) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) other than individuals acting for their own account and/or (iii) a restricted circle of investors (*cercle restreint d'investisseurs*) providing that these investors are acting for their own account, all as defined in, and in accordance with, Articles L. 411-1, L. 411-2, and D. 411-1, D.411-4, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the French *Code monétaire et financier*, these qualified investors or these investors must be informed that:

- this issue, offer or sale of Securities does not require a prospectus to be submitted to the AMF;
- they can only invest in the Securities for their own account or for account of third parties in the conditions specified in article D. 411-1 of the French *Code monétaire et financier*;
- the direct or indirect offer or sale, to the public in France, of Securities so purchased can be made only in accordance with Articles L. 411-1, L. 411-2, and D. 411-1, D.411-4, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the French *Code monétaire et financier*.

6.9.7 Restrictions within Hungary

An offer of Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the relevant final terms in relation thereto (hereinafter an "**Offer**") is exempt from the obligation to publish a prospectus, if it complies with the terms regulated in Article 3 (2) of the Prospectus Directive (and, as transposed, in Section 14 (1) of Hungarian Act CXX of 2001 on the Capital Market (the "**Capital Market Act**") (hereinafter an "**Exempt Offering**"). An Offer of Securities is an Exempt Offering under Section 14 (1) of the Capital Market Act in any of the below cases:

- (1) Securities are exclusively offered to qualified investors;
- (2) Securities are offered to less than one hundred and fifty persons not considered as qualified investors in each EEA Member State;
- (3) Securities are exclusively offered to investors each purchasing for at least one hundred thousand euro, or its equivalent in any other currency, from the Securities offered;

- (4) the face value of the Securities offered is at least one hundred thousand euro, or its equivalent in any other currency;
- (5) the total consideration for all Securities in the EU included in the Offer does not exceed one hundred thousand euro, or its equivalent in any other currency, within twelve months from the date of announcement of the Offer; or
- (6) a limited company is created by the transformation of a cooperative society and its shares are offered exclusively to the members and shareholders of the predecessor.

If the Offer is an Exempt Offering, neither this Base Prospectus nor Hungarian law requires preliminary approval or notification to the Hungarian National Bank. However, on the basis of Sections 16 and 18 of the Capital Market Act the equal distribution of information to all investors on the material information of the market, economic, financial and legal situation and prospects of the issuer and the information necessary to assess the rights attaching to the underlying instruments must be ensured by the agents distributing the underlying instruments, and any written base prospectus must indicate the private nature of the Offer. In line with Section 17 of the Capital Market Act the completion of the private placement in Hungary requires subsequent notification to the Hungarian National Bank within 15 days of completion.

The respective Security may also be offered in Hungary:

- (1) if the offering of Securities is an Exempt Offering;
- (2) the final terms of the respective Security provides that an Exempt Offering may be conducted in Hungary; and
- (3) the Issuer complies with the Hungarian rules applicable to the Exempt Offering of the respective Security.

If the Offer of Securities is not an Exempt Offering and the approval of this Base Prospectus requires notification to the Hungarian National Bank, the Issuer(s) will only offer the Securities to the public in Hungary, if all rules specified in the Capital Market Act on such Offer are complied with. None of the Issuer and/or the Guarantor(s) has authorized, nor do they authorize, the making of any Offer of Securities in circumstances in which an obligation arises for the relevant Issuer to publish or supplement a prospectus for such offer, except (i) if the Offer of Securities is an Exempt Offering; or (ii) in case a prospectus for such Offer has been approved by the Hungarian National Bank 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 and, where appropriate, the Capital Market Act, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than Exempt Offerings or pursuant to Article 3(2) of the Prospectus Directive in that relevant Member State and such offer is made on or prior to the date specified for such purpose in such prospectus or final terms, as applicable.

6.9.8 Restrictions within Italy

In addition to the restrictions described in the selling restrictions for the European Economic Area (see section 6.9.2 of the Base Prospectus), the following matters should be noted with respect to Italy:

The offering of the Securities has not been registered and will not be registered with the Italian Financial Regulator (*Commissione Nazionale per le Società e la Borsa* or "**CONSOB**") pursuant to Italian securities legislation and, accordingly, the financial intermediary in charge of the offering, if any, has represented and agreed, and each further financial intermediary appointed under the Base Prospectus and each other dealer will be required to represent and agree, that no Securities may be offered, sold, promoted, advertised or delivered, directly or indirectly, in the Republic of Italy, nor may copies of the Base Prospectus, any Final Terms or any other document relating to the Securities be distributed, made available or advertised in the Republic of Italy, except:

- (1) if it is specified that an offer (that does not fall under an exemption pursuant to the Prospectus Directive) may be made to the public in the Republic of Italy, that it may offer, sell or deliver Securities or distribute copies of any prospectus relating to the Securities, provided that such prospectus has been (i) approved in another Relevant Member State and validated for the offering in Italy in compliance with the provisions set forth by article 98, paragraph 2 of the Italian Financial Services Act and implemented by article 11, paragraph 4 of the CONSOB Regulation no. 11971 of 14 May 1999, as amended from time to time ("**CONSOB Issuers Regulation**"); and (ii) completed by final terms (if applicable) expressly contemplating such offer, in the twelve months period of validity of the Base Prospectus commencing on the date of its approval, in accordance with the Prospectus Directive, as implemented in the Republic of Italy under the Italian Financial Services Act and the CONSOB Issuers Regulation;
- (2) with regard to an offer to "**Qualified Investors**" (*Investitori Qualificati*) as defined pursuant to article 100, paragraph 1(a) of Italian Financial Services Act and the combined provisions of article 34-ter paragraph 1. letter b) of the CONSOB Issuers Regulation, and article 26 paragraph 1(d) of the CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time ("**CONSOB Intermediaries Regulation**"); or

- (3) in any other circumstances where an express applicable exemption from compliance with the restrictions on the offer of financial products to the public applies, as provided under the Italian Financial Services Act and/or CONSOB Issuers Regulation and any other applicable laws and regulations.

Any such offer, sale or delivery of the Securities or distribution of copies of the Base Prospectus, any Final Terms or any other document relating to the Securities in the Republic of Italy under (1), (2) or (3) above must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Italian Financial Services Act, CONSOB Intermediaries Regulation and the Italian legislative decree No. 385 of 1 September 1993, as amended from time to time (the "**Italian Banking Act**"); and
- (b) in compliance with any securities, tax exchange control and any other applicable laws and regulations including any limitation or notifications requirements which may be imposed from time to time by CONSOB or the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Italian Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian competent authority.

6.9.9 Restrictions within The Netherlands

In addition to the restrictions described in the selling restrictions for the European Economic Area (see section 6.9.2 of the Base Prospectus), the following matters should be noted with respect to the Netherlands:

Unless the requirements as stated in section 6.4 of the Base Prospectus are fulfilled and the relevant Final Terms specify that a public offer is made in the Netherlands, the Securities have not and shall not be admitted to trading on a regulated market situated or operating in the Netherlands nor be offered, sold, transferred or delivered to the public in the Netherlands, unless (1) a prospectus in relation to the Securities has been approved by the competent authority in the Netherlands or, where appropriate, approved in another Relevant Member State and such competent authority has notified the competent authority in the Netherlands, all in accordance with the Prospectus Directive and the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) or (2) in respect of such offering to the public in the Netherlands in reliance on (the Dutch implementation of) Article 3(2) of the Prospectus Directive and provided:

- (a) such offer is made exclusively to qualified investors (*gekwalficeerde beleggers*) within the meaning of the Dutch Financial Supervision Act in the Netherlands; or
- (b) standard logo and exemption wording are incorporated in the Final Terms, advertisements and documents in which the offer is announced, as required by article 5:20(5) of the Dutch Financial Supervision Act; or
- (c) such offer is otherwise made in circumstances in which article 5:20(5) of the Dutch Financial Supervision Act is not applicable.

6.9.10 Restrictions within Norway

In addition to the restrictions described in the selling restrictions for the European Economic Area (see section 6.9.2 of the Base Prospectus), the following matters should be noted with respect to Norway:

No Securities may be offered to the public in Norway nor admitted to trading on a regulated market in Norway unless and until (a) a prospectus in relation to those Securities has been approved by the Financial Supervisory Authority of Norway or, where appropriate, approved in another Relevant Member State and such competent authority has notified the Financial Supervisory Authority of Norway, all in accordance with the Prospectus Directive and the Norwegian Securities Trading Act; or (b) an exemption from the requirement to prepare a prospectus is available under the Norwegian Securities Trading Act.

6.9.11 Restrictions within Sweden

In addition to the restrictions described in the selling restrictions for the European Economic Area (see section 6.9.2 of the Base Prospectus), the following matters should be noted with respect to Sweden:

No Securities may be offered to the public in Sweden nor admitted to trading on a regulated market in Sweden unless and until (a) a prospectus in relation to those Securities has been approved by the competent authority in Sweden or, where appropriate, approved in another Relevant Member State and such competent authority has notified the competent authority in Sweden, all in accordance with the Prospectus Directive and the Swedish Financial Instruments Trading Act; or (b) an exemption from the requirement to prepare a prospectus is available under the Swedish Financial Instruments Trading Act.

6.9.12 Restrictions within United Kingdom

In addition to the restrictions described in the selling restrictions for the European Economic Area, the following matters should be noted with respect to the United Kingdom.

Any offeror of Securities will be required to represent and agree that:

- in relation to any Securities 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 Securities 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 Securities would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;
- 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 Securities in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the relevant Guarantor or; and
- it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

6.9.13 Restrictions outside the European Economic Area

In a jurisdiction outside the European Economic Area (EEA), the Securities may be publicly offered only in compliance with the legal requirements in force there, to the extent that this takes place in accordance with the regulations applicable in each case and other relevant provisions and to the extent that neither the Issuer, the Guarantors nor the Offeror enters into any obligations in this respect.

6.9.14 Switzerland

In addition to the selling restrictions described for offers outside the EEA, the following conditions must be observed in Switzerland:

An offer of these Securities in Switzerland may be prepared in accordance with the applicable rules and regulations in Switzerland, including, but not limited to, the regulations issued by the Swiss Federal Banking Commission and / or the Swiss National Bank in respect of the offer, sale, delivery or transfer of the Securities or the dissemination of sales documents relating to such securities in Switzerland.

6.9.15 Restrictions within the United States of America (USA)

Neither the Securities nor the Guarantee in respect of obligations in relation to the Securities has been or will be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and neither the Securities nor the Guarantee may be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).

Trading in the Securities has not been and will not be approved by the United States Commodity Futures Trading Commission under the United States Commodity Exchange Act or by any other state securities commission nor has the Commodity Futures Trading Commission or any other state securities commission passed upon the accuracy or the adequacy of the Base Prospectus. The Base Prospectus may not be used in the United States and may not be delivered in the United States.

The Securities will not be directly or indirectly offered, sold, traded or delivered within the United States or to or for the account or benefit of U.S. persons (as defined in Regulation S under the Securities Act).

Each offeror is required to agree that it will not offer or sell the Securities as part of their distribution at any time within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).

The term "**United States**" as used herein means the United States of America, its territories or possessions, any state of the United States, the District of Columbia or any other enclave of the United States government, its agencies or instrumentalities.

6.9.16 Hong Kong

Each offeror of Securities represents and agrees that:

- (1) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Securities (except for Securities which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) laws of Hong Kong) (the "SFO") other than (a) to "professional investors" within the meaning of Part 1 of Schedule 1 of the SFO and any rules made there under; or (b) in other circumstances which do not require a document that is a "prospectus" or do not result in any document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions Ordinance (Cap. 32) laws of Hong Kong (the "C(WUMP)O") or which do not constitute an offer to the public or an invitation of offers by the public within the meaning of the C(WUMP)O; and
- (2) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made there under.

6.9.17 Singapore

Each offeror of Securities acknowledges that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore (the "**MAS**"). Accordingly, each offeror has represented, warranted and agreed that it has not offered or sold any Securities or caused the Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Securities or cause the Securities to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Securities, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289 of Singapore) (the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

6.10 Form of the Base Prospectus and publication

This document constitutes a base prospectus pursuant to Article 5 (4) of the **Prospectus Directive**, as implemented into German law by section 6 WpPG in conjunction with Commission Regulation (EC) No 809/2004, as amended.

The Base Prospectus is published in accordance with section 6 WpPG in conjunction with section 14 WpPG and has been approved in this form by the German Federal Financial Supervisory Authority. The German Federal Financial Supervisory Authority decided to give its approval after the completion of a completeness check of the Base Prospectus, including a check of the coherence and comprehensibility of the information presented. The German Federal Financial Supervisory Authority has not examined this Base Prospectus for factual accuracy.

The summary (see section 1 of this Base Prospectus) contains an introduction to the Base Prospectus. The Base Prospectus also contains the securities note with the information relating to the Securities to the extent that it was known at the date of the Base Prospectus, and the information required about the Issuer and the Guarantors which are incorporated into the Base Prospectus by reference from the Registration Document of the Issuer (section 3), the Registration Document of the German Guarantor (section 4) and the Registration Document of the Swiss Guarantor (section 5).

For the purposes of the initial issue or an increase of issue of Securities, final terms of the offer ("**Final Terms**") will be prepared, containing information that can only be determined at the date of the respective issue or increase of issue of the respective Securities in the context of the Base Prospectus.

The Final Terms of the Securities will only be determined shortly before the Public Offer and will be filed with the German Federal Financial Supervisory Authority at the latest on the date of the Public Offer in accordance with the provisions of section 6 WpPG in conjunction with section 14 WpPG. The Final Terms will not be reviewed by the German Federal Financial Supervisory Authority.

The Final Terms and the Base Prospectus together with any accompanying supplements are published on the Issuer's website (certificates.vontobel.com), and the Final Terms for an individual issue can be obtained by entering the respective ISIN on the website certificates.vontobel.com. The Base Prospectus together with any accompanying supplements are published on the web page certificates.vontobel.com under the heading <<Legal Documents>>. In addition, the Issuer will have copies of the Base Prospectus together with any supplements and the respective Final Terms available for free distribution.

6.11 Additional disclosures

To the extent that information from third parties has been included, the Issuer hereby confirms that information has been reproduced correctly and that - as far as the Issuer is aware and was able to deduce from the information published by third parties - no facts have been omitted that would render the information reproduced incorrect or misleading. The source of the information is named directly after the disclosure of the information.

Unless specified otherwise in the Final Terms, the Issuer does not intend to publish any information once the issue has been completed, unless it is information that is required to be published in accordance with legal obligations or in accordance with the Terms and Conditions as a notice in a national official journal or on the website certificates.vontobel.com under the section <<Notices>>.

For the sake of clarity: The Issuer will publish important new circumstances or material inaccuracies relating to the information contained in the Base Prospectus in a supplement to the Base Prospectus in accordance with section 16 WpPG.

7. Information about the Securities to be offered

The Issuer from time to time issues securities with the various structures explained below (the "**Securities**" or "**Security Types**"). The Securities are underwritten by Bank Vontobel AG, Zurich, and offered by Bank Vontobel Europe AG, in each case. The issues of the Securities are made either under a guarantee given by Bank Vontobel Europe AG (the "**German Guarantee**", see section 10 of this Base Prospectus) or under a guarantee given by Vontobel Holding AG, Zurich (the "**Swiss Guarantee**", see section 11 of this Base Prospectus) (each a "**Guarantee**"). Each Guarantee may be obtained at the offices of the Issuer, Vontobel Financial Products GmbH, Bockenheimer Landstraße 24, 60323 Frankfurt am Main, Germany, during normal business hours.

The issue price of the Securities is set by Bank Vontobel Europe AG, Munich, or an agent appointed by the Issuer as market maker (the "**Market Maker**"). Since the issue size (i.e. the number of Securities), the product features and the specific terms of the offer are only determined at the time of issue and not at the date of this Base Prospectus, this information and the Terms and Conditions reproduced below under section 7 of this Base Prospectus must be read together with the Final Terms, which supplement this Base Prospectus and are published at the start of the Public Offer or Private Placement of the Securities respectively in accordance with section 14 WpPG.

The following description is intended to illustrate the general method of operation of the Securities. The Securities are described in detail in the Terms and Conditions.

The description of the method of operation assumes in principle that the Security is acquired at the issue price at the time of issue. In the case of purchases or sales of the Securities in the secondary market, particular attention should be paid to the spread, i.e. the difference between the buying and selling prices of the Securities set by the Market Maker.

The Issuer may also increase the issue size of Securities issued under the Base Prospectus.

7.1 Form of the Securities

Securities under the Base Prospectus may be issued as further explained in the following:

(i) German Global Certificates

Where the Product Conditions stipulate German Global Certificates to be applicable, the Securities will be evidenced by a global certificate (*Sammelurkunde*) in accordance with section 9a of the German Securities Custody Act (*Depotgesetz*) (the "**Global Certificate**"). The Global Certificate will be deposited with Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Germany (the "**Central Securities Depository**") and will be kept in custody by the Central Securities Depository until all obligations of the Issuer under the Securities have been fulfilled. No definitive securities will be issued. Bearers are entitled to co-ownership interests, economical ownership rights or comparable rights in the Global Certificates, which are transferable in accordance with the rules of the Central Securities Depository and the laws of Germany.

(ii) Swiss Uncertificated Securities

Where the Product Conditions stipulate Swiss Uncertificated Securities to be applicable, the Securities represent intermediated securities within the meaning of the Swiss Federal Act on Intermediated Securities (*Bundesgesetz über Bucheffekten*) "**BEG**"). They will be issued initially in dematerialised form pursuant to article 973 c of the Swiss Civil Code (*Zivilgesetzbuch*) (law of obligations) as uncertificated securities (*Wertrechte*). Uncertificated securities are created by the Issuer by a registration with a register of uncertificated securities maintained by the Issuer. The uncertificated securities are then registered with the main register maintained by SIX SIS AG, Baslerstrasse 100, 4600 Olten, Switzerland (the "**Central Securities Depository**"). When the uncertificated securities are registered with the SIX SIS AG's main register and credited in one or more securities accounts, intermediated securities are created in accordance with article 6 (1) c) BEG. Uncertificated securities in the form of intermediated Securities may be transferred or disposed of in some other way only in accordance with the provisions of the BEG and of the applicable law, i.e. by crediting the intermediated securities to a securities account of the purchaser.

(iii) Danish Uncertificated Securities

Where the Product Conditions stipulate Danish Uncertificated Securities to be applicable, the Securities will be issued in uncertificated and dematerialised book-entry form and will only be evidenced by book entries in the system of VP SECURITIES A/S, Weidekampsgade 14, P.O. Box 4040, 2300 Copenhagen S, Denmark ("**VP SECURITIES**" or the "**Central Securities Depository**") for registration of securities and settlement of securities transactions in accordance with Consolidated Act No. 1530 of 2 December 2015 on Securities Trading etc. (the "**Securities Trading Act**"), as amended from time to time, and Executive Orders issued thereunder including Executive Order No. 819 of 26 June 2013 on the registration of dematerialised securities in a central securities depository (*Bekendtgørelse om registrering m.v. af fondsaktiver i en værdipapircentral*) (the "**Registration Order**"). Transfers of Securities and other registration measures shall be made in accordance with the Securities Trading Act, the Registration Order and the regulations, rules and operating procedures applicable to and/or issued by VP SECURITIES from time to time. The Securities will be issued in uncertificated and dematerialised book-entry form and no global bearer securities or definitive securities will be issued in respect

thereof. The Securities issued and cleared through VP SECURITIES are transferable negotiable instruments and not subject to any restrictions on their transferability within Denmark.

(iv) Dutch Uncertificated Securities

Where the Product Conditions stipulate Dutch Uncertificated Securities to be applicable, the Securities will be issued and represented by a global bearer security (the "**Global Security**"), which shall be deposited with Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V., Herengracht 459-469, 1017 BS Amsterdam, the Netherlands ("**Euroclear Nederland**" or the "**Central Securities Depository**"). The Securities will be registered in uncertificated book-entry form with Euroclear Nederland. No Securities in definitive form will be issued. The Securities are subject to the Dutch Securities Giro Act (*Wet giraal effectenverkeer*, "**Wge**") (as amended from time to time) and the applicable rules issued by Euroclear. Delivery (*uitlevering*) of Securities will only be possible in the limited circumstances prescribed by the Wge. The Security holders shall receive co-ownership participations in and/or rights with respect to the Global Security which are transferable in accordance with the Wge and the rules and regulations applicable to and/or issued by Euroclear Nederland.

(v) Finnish Registered Securities

Where the Product Conditions stipulate Finnish Registered Securities to be applicable, the Securities will be in dematerialised form and will only be evidenced by book entries in the system of Euroclear Finland Oy, PL 1110, Urho Kekkosen katu 5C, 00101 Helsinki, Finland (the "**Central Securities Depository**") for registration of securities and settlement of securities transactions in accordance with the Finnish Act on Book-Entry Accounts (827/1991, as amended and/or re-enacted from time to time) and the Finnish Act on the Book-Entry System and Clearing Operations (348/2017, as amended and/or re-enacted from time to time) to the effect that there will be no certificated securities.

(vi) French Dematerialized Bearer Securities

Where the Product Conditions stipulate Securities in the form of French Dematerialized Bearer Securities to be applicable, the Securities will be issued in bearer dematerialized form (*titres au porteur dématérialisés*). Title to the Securities will be evidenced in compliance with Articles L.211-3 et seq. of the French *Code Monétaire et Financier* by book entries (*inscription en compte*) in the system of Euroclear France S.A., 66 rue de la Victoire 75009 Paris, France ("**Euroclear France**" or the "**Central Securities Depository**"), acting as central securities depository and which shall credit the accounts of the relevant Security Account Holders. No physical document of title (including *certificats représentatifs* pursuant to Article R. 211-7 of the French *Code Monétaire et Financier*) will be issued in respect of the Securities. Transfers of the Securities and other registration measures shall be made in compliance with the French *Code Monétaire et Financier*, the regulations, rules and operating procedures applicable to and/or issued by Euroclear France.

(vii) Italian Uncertificated Certificates

Where the Product Conditions stipulate Italian Uncertificated Certificates to be applicable, the Securities are issued in bearer uncertificated and dematerialised book-entry form pursuant to the Italian Financial Services Act (*Testo Unico della Finanza*) and cleared through and registered at Monte Titoli S.p.A., with registered office in Piazza degli Affari, 6, 20123 Milan, Italy (the "**Central Securities Depository**") in accordance with the Italian Financial Securities Act and the relevant implementing rules governing central depositories, settlement services, guarantee systems and related management companies, issued by Bank of Italy and CONSOB.

No physical securities, such as global temporary or permanent securities or definitive securities will be issued in respect of the *Italian Uncertificated Certificates*. However, any holder of Italian Uncertificated Certificates still has the right to obtain a certificate pursuant to articles 83-*quinquies* paragraph 3, and 83-*novies*, paragraph 1., letter b), of the Italian Financial Services Act.

(viii) Norwegian Registered Securities

Where the Product Conditions stipulate Norwegian Registered Securities to be applicable, the Securities will be in dematerialized registered form and will only be evidenced by book entries in the system of the Norwegian Central Securities Depository VPS ASA, P.O. Box 4, 0051, Oslo, Norway (VPS) (the "**Central Securities Depository**") for registration of securities and settlement of securities transactions in accordance with the Norwegian Securities Register Act (*lov om registrering av finansielle instrumenter 2002 5. juli nr. 64*). There will be neither global bearer securities nor definitive securities and no physical securities will be issued in respect of the Securities. Securities issued through VPS must comply with the Norwegian Securities Trading Act, and the procedures applicable to and/or issued by the VPS from time to time and as amended from time to time. Transfers of the title to the Securities and other registration measures shall be made in accordance with the Norwegian Securities Register Act (*lov om registrering av finansielle instrumenter 2002 5. juli nr. 64*), the regulations, rules and operating procedures applicable to and/or issued by VPS.

(ix) Swedish Registered Securities

Where the Product Conditions stipulate Swedish Registered Securities to be applicable, the Securities will be in dematerialised form and will only be evidenced by book entries in the system of Euroclear Sweden AB, Klarabergsviadukten 63, Box 191, SE-101 23 Stockholm, Sweden (the "**Central Securities Depository**") for registration of securities and settle-

ment of securities transactions in accordance with Chapter 4 of the Swedish Financial Instruments Accounts Act (*lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) (the "**SFIA Act**") to the effect that there will be no certificated securities. Euroclear Sweden is a Swedish private limited liability company which operates under the supervision of the Swedish Financial Supervisory Authority (*Finansinspektionen*) and is authorised as a central securities depository.

The holder of Swedish Registered Securities will be the person evidenced as such by the register for such Securities maintained by Euroclear Sweden on behalf of the Issuer. Where a nominee (*förvaltare*) in accordance with the SFIA Act is so evidenced it shall be treated by the Issuer as the holder of the relevant Swedish Registered Securities.

Title to the Swedish Registered Securities will pass by way of registration in the Euroclear Sweden register, perfected in accordance with the legislation (including the SFIA Act), rules and regulations applicable to and/or issued by Euroclear Sweden that are in force and effect from time to time.

Settlement of sale and purchase transactions in respect of Swedish Registered Securities in Euroclear Sweden will take place in accordance with market practice at the time of the transaction. Transfers of interests in the relevant Swedish Registered Securities will take place in accordance with the then applicable rules and procedures of Euroclear Sweden.

The person evidenced (including any nominee) as a holder of Swedish Registered Securities shall be treated as the holder of such Swedish Registered Securities for the purposes of payment of principal or interest on such Swedish Registered Securities.

The Issuer shall have the right to obtain extracts from the debt register of Euroclear Sweden.

7.2 General description of the Securities

The Securities are tradeable bearer securities and give the respective Security Holder the right to the payment of a Cash Amount or the delivery of shares, securities representing shares (ADRs/GDRs) or other dividend-bearing securities, bonds, investment units, index certificates and exchange traded products ("**ETPs**") ("**Assets**") by the Issuer in accordance with the Final Terms of the Securities. The rights of the respective Security Holders are governed in detail by the applicable Terms and Conditions and during the term of the Securities are either represented by a global certificate or note or are registered as uncertificated, book-entry securities, in accordance with the Final Terms. The settlement procedure for the Securities is described in section 3 of the General Conditions in conjunction with the Product Conditions.

On the basis of the Securities, investors can participate in the performance of a particular underlying (share, security representing shares (ADR/GDR) or other dividend-bearing security, bond, index, commodity, future or interest rate future, exchange rate, interest rate, investment unit or virtual currency) or of several underlyings of the type mentioned (Securities described as "**Multi**"), without having to purchase the respective underlying directly. Because of various features of the Securities, an investment in the Securities is not comparable to a direct investment in the respective underlying. These include, in particular, the finite term, the possible payment of a Cash Amount, the absence of a right to distributions (e.g. dividends), subscription rights or other similar income, and the risk of the insolvency of the Issuer and of the Guarantor. Depending on the Security Type, there are other product features that distinguish the Securities from a direct investment.

In particular, the Securities described in the Base Prospectus of the "Reverse Bonus Certificates" type are also not comparable with a direct investment in the underlying for the reason that the performance of the Security is the reverse of the performance of the underlying.

Investors must therefore form a well-founded opinion about the performance of the respective underlying or underlyings when making their investment decisions, and must always be aware that the past performance of an underlying does not permit any conclusions to be drawn about its future performance.

The purchase of the Securities may lead to a loss of the capital invested by the investor. **In the worst case, the risk of loss may result in the total loss of the capital invested and the transaction costs incurred.** This risk will be realised if the price of the underlying or underlyings falls to zero (0) or – in the case of Securities of the "Reverse Bonus Certificates" type – if the price of the underlying reaches or exceeds the reverse level and exists irrespective of the financial capacity of the Issuer and of the relevant Guarantor. The Securities will only produce a positive return if the Cash Amount or the value of the assets delivered is higher than the purchase price the investor has paid for the Security (including any associated costs and fees). If the Cash Amount or the value of the assets delivered is lower than the purchase price paid (including any associated costs and fees), the investor will suffer a loss.

Investors must always be aware that the market may perform differently from what they had hoped. Given the finite term of the Securities, in the event that the Security performs adversely for the respective investor in relation to its purchase price there can be no assurance that its value will subsequently recover before the end of the term to the level of the purchase price paid by the investor.

7.3 Description of the rights

Upon the purchase of the Securities, the Issuer grants each Security Holder the right to the redemption of the Securities, i.e. to the payment of a Cash Amount or the delivery of Assets (shares, securities representing shares (ADRs/GDRs) or other dividend-bearing securities, bonds, investment units, index certificates or ETPs) at maturity of the Securities. All rights and obligations relating to the Securities are determined in accordance with the Terms and Conditions (see section 8 of this Base Prospectus).

Limitations to the rights

In addition to particular rights applying in the case of a market disruption event, as described in section 7 "Market Disruption Event" of the General Conditions in section 8.1 of this Base Prospectus, the Issuer has the ability to terminate the Securities extraordinarily by giving notice in certain cases defined in section 6 of the General Conditions. These extraordinary termination rights will be exercised, for example, in cases where, following changes in the underlying, it is not possible in the Issuer's opinion to make an adjustment to the Securities linked to the underlying affected that makes sense in financial terms. In the event of extraordinary termination, the investors will lose their rights described above in their entirety. There is a risk that the termination amount paid will be equal to zero (0).

Ranking of the Securities

The Securities constitute direct and – apart from Securities that are Collateral Secured Instruments (COSI) – unsecured obligations of the Issuer that rank *pari passu* in relation to one another and in relation to all other current and future unsecured and unsubordinated obligations of the Issuer, with the exception of obligations that have priority due to mandatory statutory requirements.

A detailed description of the rights attaching to the Securities – including any limitations to them – is contained in the Terms and Conditions.

7.4 Operation of the Securities

7.4.1 General information applying to all products

The following analysis contains a general description of the method of operation and principal features of the various Security Types that are the subject of the Base Prospectus. The final features of the Securities are specified in the Final Terms. The rights and obligations of the Issuer and of the Security Holders are governed definitively by the Terms and Conditions.

No current income

The Securities do not provide any current income (such as interest or dividends, with the exception of interest income in the case of Reverse Convertible structures or bonus payments in the case of structures with unconditional bonus or interest payments). The only method of generating income is an increase in the price of the Security. Investors must always bear in mind that the performance of the market may differ from their expectations. The investor's potential gain or loss is always dependent on the purchase price paid for the Securities and is calculated as the difference between the purchase price and the Cash Amount, or the difference between the purchase price and the selling price in the event that the Securities are sold prior to maturity (in each case taking into account transaction costs and any taxes incurred).

Redemption style of the Securities

The Securities are issued with a redemption style which is either "cash settlement" or "(physical) delivery", as indicated in each case in the Final Terms.

For Securities with a cash settlement redemption style, redemption of the Securities by the Issuer on the Maturity Date always takes the form of the payment of a cash amount, the amount of which is determined – depending on the type of Security – in accordance with the applicable Product Conditions (see section 8.2 of this Base Prospectus).

For Securities with a physical delivery redemption style, the Product Conditions may stipulate in certain cases that the Issuer will deliver an Asset (as defined above) instead of making a cash payment. In this event, the applicable Final Terms will specify the Asset(s) to be delivered (referred to as "deliverable asset" in the Terms and Conditions), and – if the deliverable asset is not the underlying or one of the underlyings – contain information about the deliverable asset or assets or indicate where information about the deliverable asset or assets can be obtained.

The number of Assets to be delivered (deliverable assets) for each Security in these circumstances is based on the number of the deliverable asset specified in the relevant Final Terms.

Fractions of deliverable assets are not delivered. Instead of delivering the relevant fraction, the Issuer will pay a Cash Amount in the settlement currency of the Securities (fractional amount), as specified in the applicable Final Terms. The consolidation of a number of fractional amounts to create claims for the delivery of Assets is not permitted.

Ratio

The Securities – with the exception of the "Reverse Bonus Certificates with Nominal Amount" type of Security – may be issued with a ratio. The ratio may be expressed as a number or as a fraction and indicates the number of units of the underlying to which one Security is linked.

For example: If the ratio is expressed as the number 10, one Security is linked to 10 units of the underlying. On the other hand, a ratio expressed as a fraction, for example 10:1, indicates that 10 Securities are linked to 1 unit of the underlying. Since in the latter example one Security is linked to one tenth of an underlying, therefore, this ratio could also be expressed as the number 0.1.

The ratio is important in particular – except for Securities with a nominal amount – for the calculation of the Cash Amount. For Securities with a (physical) delivery redemption style, the ratio determines the number of Assets that the Issuer may be required to deliver.

Securities with a nominal amount

Certain types of Security may be issued with a nominal amount. In such cases it should be noted that redemption at the respective nominal amount is not guaranteed and that the relevant Cash Amount may be (significantly) less than the nominal amount, and in the worst case may be zero (0). Similarly, if the redemption style is (physical) delivery, the equivalent value of the Assets delivered may be (significantly) less than the nominal amount, and in the worst case may be zero (0).

Currency conversion / Quanto Structure

If the underlying for the Securities is denominated wholly or partly in a currency other than the settlement currency, the respective rate of exchange between the currency of the underlying and the settlement currency plays an important role in calculating the Cash Amount. This rate may be constantly changing and may be different on the date of the currency conversion from the rate of exchange on the date when the Securities were purchased. Changes in the rate of exchange between the currency of the underlying and the settlement currency will already affect the value of the Securities during their term, since the bid and offer prices are quoted in the relevant settlement currency.

The Issuer may provide in the Final Terms for all of the Security Types presented below that the features of the Securities include currency hedging, with the result that the movement of the exchange rate between the currency of the underlying and the settlement currency has no effect on the level of the Cash Amount of the Security. The Issuer and/or Market Maker achieves this using a quantity adjusted option, or Quanto for short ("**Quanto Structure**"), and specifies the conversion rate between the two currencies at the time of the issue. In the case of Securities with a Quanto Structure, therefore, conversion from the currency of the underlying into the settlement currency of the Securities uses a conversion rate of 1:1.

For Securities without a Quanto Structure, the Cash Amount is converted into the settlement currency at the applicable conversion rate. In this event, the Issuer will specify the relevant exchange rate for the conversion of any payments arising from the Securities in the Terms and Conditions.

The individual Security Types are explained below (leaving taxes, charges and transaction costs out of account). The redemption profiles shown are illustrative in nature.

7.4.2 Discount certificate structures*a. Discount Certificates*

At the time of issue, Discount Certificates are quoted at a discount to the current price of the underlying. At the end of the term, the value of the Discount Certificate corresponds to the underlying to which it is linked, but is limited to a maximum amount.

The investor cannot benefit from the underlying reaching or exceeding the cap on the valuation date. The performance that the investment can achieve is therefore limited to the percentage spread between the purchase price (price of the Security at the date of purchase by the investor) and the maximum amount (i.e. the cap taking into account the ratio). On the other hand, however, the reduced purchase price compared with the quoted price of the underlying creates two advantages: Firstly, there is a risk buffer, because the investor will only suffer a loss at the end of the term if the underlying has fallen below the purchase price of the Discount Certificate. Secondly, there are opportunities to achieve a return in a sideways market or in the event that the price of the underlying falls slightly.

The Issuer will redeem the Securities at maturity by payment of the maximum amount, if the reference price of the underlying on the valuation date is equal to or above the cap. In this event, investors will achieve the maximum possible return from their Discount investment.

If the reference price of the underlying on the valuation date is determined to be below the cap, the Issuer will pay a cash amount in the case of Securities with a cash settlement redemption style. The investor will then achieve a positive

return as before if the quoted price of the underlying (taking into account the ratio) on the valuation date is between the maximum amount and the purchase price of the Security. If the reference price of the underlying (taking into account the ratio) on the valuation date is below the purchase price of the Security, the investor will incur a loss, but it will be lower than in the case of a direct investment thanks to the discounted purchase price.

For Securities with a (physical) delivery redemption style, the Issuer will deliver an Asset (deliverable asset) in accordance with the specified number of the deliverable asset, instead of paying a Cash Amount.

b. Express Discount Certificates

The Express version of Discount Certificates also features a "redemption level" for the underlying, which creates one or more opportunities for early redemption and can therefore result in the rapid achievement of the targeted return.

The redemption level is a particular price threshold for the respective underlying, specified at the time of issue of the Security.

The Express version results in automatic early redemption by payment of the maximum amount, if the quoted price of the underlying is higher than or – if so provided in the Final Terms – equal to the (respective) redemption level during a period or at a time specified in the Final Terms.

c. Protect (Express) Discount Certificates and Protect Pro (Express) Discount Certificates

The particular feature of this further development of the Discount Certificate is an additional barrier, which is below the price of the underlying at the time of issue.

The Issuer will redeem the Protect (Express) Discount Certificates at maturity by payment of the maximum amount, if the observation price of the underlying has not fallen below or – if so provided in the Final Terms – reached the barrier during the observation period, irrespective of the price of the underlying on the valuation date.

If the observation price of the underlying has fallen below or, where applicable, reached the barrier during the observation period, the Protect Discount Certificate is converted into a traditional Discount Certificate with the corresponding payment and delivery arrangements at the maturity of the Securities (depending on the respective redemption style).

In the event that the barrier is observed only on the valuation date at the time of the determination of the reference price (closing price observation, also referred to as a Protect **Pro** Discount Certificate), the Issuer will redeem the Securities at maturity by payment of the maximum amount, if the reference price of the underlying on the valuation date is higher than or, where applicable, equal to the barrier.

If the reference price of the underlying on the valuation date is below or, where applicable, equal to the barrier, the Issuer will pay a Cash Amount for Securities with a cash settlement redemption style, determined on the basis of the reference price of the underlying. In this event, for Securities with a (physical) delivery redemption style the Issuer will deliver an Asset (see the description above relating to Discount Certificates).

d. Multi Discount Certificates

In the case of Multi Discount Certificates, investors are investing indirectly in a number of underlyings at a discount to the current prices of the respective underlyings. In return, however, their participation in rising prices is limited to the maximum amount. The maximum achievable profit is therefore also fixed at the date of issue.

The Issuer will redeem the Securities at maturity by payment of the maximum amount, if the reference prices of all of the underlyings on the valuation date are equal to or higher than the respective strike.

If at least one reference price of an underlying on the valuation date is determined to be below the respective applicable strike, the Issuer will pay a cash settlement in the case of Securities with a cash settlement redemption style.

For Securities with a (physical) delivery redemption style, the Issuer will deliver an Asset (deliverable asset) in accordance with the specified number of the deliverable asset, instead of paying a cash settlement. The Asset to be delivered is determined on the basis of the underlying with the lowest or highest percentage performance (as specified in the applicable Final Terms).

e. Protect Multi Discount Certificates and Protect Pro Multi Discount Certificates

The features of Protect Multi Discount Certificates include an individual barrier for each underlying, which is below the price of the respective underlying at the time of issue.

The Issuer will redeem the Securities at maturity by payment of the maximum amount, if none of the observation prices of the underlyings has fallen below or – if so provided in the Final Terms – reached the respective barrier during the observation period, irrespective of the prices of the underlyings on the valuation date.

If at least one underlying has fallen below or, where applicable, reached the respective barrier during the observation period, the Protect Multi Discount Certificate is converted into a Multi Discount Certificate with the corresponding payment and delivery arrangements at the maturity of the Securities (depending on the respective redemption style).

In the event that the respective barrier is observed only on the valuation date at the time of the determination of the respective reference price (closing price observation, also referred to as a Protect **Pro** Multi Discount Certificate), the Issuer will redeem the Securities at maturity by payment of the maximum amount, if all of the reference prices of the underlyings on the valuation date are higher than or – if so provided in the Final Terms – equal to the barrier.

If the quoted value of at least one reference price of an underlying on the valuation date is below or, where applicable, equal to the respective barrier, the Issuer will pay a cash settlement in the case of Securities with a cash settlement redemption style. For Securities with a (physical) delivery redemption style, the Issuer will deliver underlyings with the worst performance or Assets linked to the underlying with the worst performance, instead of paying a cash settlement (see the description above relating to Multi Discount Certificates).

7.4.3 Bonus certificate structures

a. Bonus Certificates and Bonus Pro Certificates

The bonus mechanism for Bonus Certificates consists of a bonus level and a barrier. The bonus level is specified at the time of issue above the current price of the underlying or corresponding to it and remains unchanged during the entire term. The barrier is set at the time of issue below the current price of the underlying.

Provided that the observation price of the underlying does not fall below or – if so provided in the Final Terms – reach the barrier during the observation period, at the maturity of the Securities the investor will receive the reference price of the underlying taking into account the ratio, but at least the bonus amount (which corresponds to the bonus level taking into account the ratio). As a result of this structure, the investor is able to achieve positive returns compared with a direct investment (any distributions on the underlying are disregarded) even in markets tending sideways or falling slightly. At prices above the bonus level, the investor participates in the performance of the underlying on a one-to-one basis.

If the observation price of the underlying falls below or – if so provided in the Final Terms – reaches the barrier during the observation period, the bonus mechanism will no longer apply and the Issuer will pay a cash settlement for Securities with a cash settlement redemption style, which (taking into account the ratio or – in the case of Bonus Certificates with an Airbag feature – the Airbag ratio) is equal to the reference price of the underlying. For Securities with a (physical) delivery redemption style, in this case the Issuer will deliver an Asset (deliverable asset) in accordance with the specified number of the deliverable asset, instead of paying a cash settlement.

In the event that the barrier is observed only on the valuation date at the time of the determination of the reference price (closing price observation, also referred to as a Bonus **Pro** Certificate) and the reference price of the underlying on the valuation date is above or – if so provided in the Final Terms – equal to the barrier, the investor will receive the reference price of the underlying taking into account the ratio, but at least the bonus amount.

If the reference price of the underlying on the valuation date is below or, where applicable, equal to the barrier, the Issuer will pay a cash settlement for Securities with a cash settlement redemption style, which (taking into account the ratio or – in the case of Bonus Certificates with an Airbag feature – the Airbag ratio) is equal to the reference price of the underlying.

For Securities with a (physical) delivery redemption style, the Issuer will also pay a corresponding cash settlement, if the reference price of the underlying on the valuation date is higher than or – if so provided in the Final Terms – equal to the bonus level. However, if the reference price of the underlying on the valuation date is below or – if so provided – equal to the barrier, for Securities with a (physical) delivery redemption style the Issuer will deliver an Asset, as described above.

b. Bonus Cap Certificates and Bonus Cap Pro Certificates

Bonus Cap Certificates function in the same way as traditional Bonus Certificates with one significant exception: In addition to a bonus level and barrier, these Securities also have a cap, which is set above or equal to the bonus level. This means that investors can only participate in price increases of the underlying up to the cap.

The Issuer will redeem the Securities at maturity by payment of the bonus amount, if the observation price of the underlying has not fallen below or – if so provided in the Final Terms – reached the barrier during the observation period and the reference price on the valuation date is quoted below or – if so provided in the Final Terms – equal to the bonus level.

If the reference price of the underlying on the valuation date is higher than or – if so provided in the Final Terms – equal to the bonus level or if a barrier event occurs during the observation period, the Issuer will pay a cash settlement for Securities with a cash settlement redemption style, which (taking into account the ratio) is equal to the reference price of

the underlying. However, the amount of the cash settlement is limited to the maximum amount (i.e. the cap taking into account the ratio).

For Securities with a (physical) delivery redemption style, the Issuer will also pay a cash settlement (limited to the maximum amount), if the observation price of the underlying has not fallen below or, where applicable, reached the barrier during the observation period and the reference price of the underlying on the valuation date is higher than or, where applicable, equal to the bonus level. On the other hand, if the observation price of the underlying triggers a barrier event during the observation period and the reference price of the underlying on the valuation date is below the cap, the Issuer will deliver an Asset (as described for Bonus Certificates) for Securities with a (physical) delivery redemption style. If the observation price of the underlying triggers a barrier event during the observation period, but the reference price of the underlying on the valuation date is once again equal to or higher than the cap, then for Securities with a (physical) delivery redemption style the investor will receive payment of the maximum amount instead of the delivery of an Asset.

In the event that the barrier is observed only on the valuation date at the time of the determination of the reference price (closing price observation, also referred to as a Bonus Cap Pro Certificate), the Issuer will redeem the Securities at maturity by payment of the bonus amount, if the reference price of the underlying on the valuation date is above or – if so provided in the Final Terms – equal to the barrier and below or – if so provided – equal to the bonus level.

If the reference price of the underlying on the valuation date is below or, where applicable, equal to the barrier or above or – if so provided – equal to the bonus level, the Issuer will pay a cash settlement (limited to the maximum amount) for Securities with a cash settlement redemption style.

For Securities with a (physical) delivery redemption style, the Issuer will also pay a cash settlement (limited to the maximum amount), if the reference price of the underlying on the valuation date is higher than or, where applicable, equal to the bonus level. However, if the reference price of the underlying on the valuation date is below or – if so provided – equal to the barrier, the Issuer will deliver an Asset for Securities with a (physical) delivery redemption style, as described above.

c. Multi Bonus Certificates and Multi Bonus Pro Certificates

Multi Bonus Certificates enable the investor to participate in the performance of several underlyings. The bonus mechanism consists of a nominal amount, a bonus level, a strike for each underlying, and a barrier for each underlying which is below the strike of the respective underlying.

If none of the observation prices of the underlyings has fallen below or – if so provided in the Final Terms – reached the respective barrier during the observation period, the Issuer will pay a cash settlement at the maturity of the Securities. The cash settlement corresponds to the nominal amount multiplied by either the performance of the underlying with the highest or lowest performance or by the average percentage performance of all the underlyings, determined on the basis of the reference prices of the respective underlyings on the valuation date in relation to the respective strike, but at least to the bonus level.

If at least one observation price of an underlying has fallen below or – if so provided in the Final Terms – reached the respective barrier during the observation period, the bonus mechanism no longer applies.

For Securities with a cash settlement redemption style, the Issuer will pay a cash settlement equal to the nominal amount multiplied by either the performance of the underlying with the highest or lowest performance or by the average percentage performance of all the underlyings. For Securities with a (physical) delivery redemption style on the other hand, the Issuer will deliver an Asset in accordance with the ratio.

In the event that the respective barrier is observed only on the valuation date at the time of the determination of the reference prices (closing price observation, also referred to as a Multi Bonus **Pro** Certificate), the Issuer will pay a cash settlement at the maturity of the Securities, if the reference prices of all of the underlyings are higher than or – if so provided in the Final Terms – equal to the barrier. The cash settlement is equal to the nominal amount multiplied by either the performance of the underlying with either the lowest or highest performance or by the average percentage performance of all the underlyings, determined on the basis of the reference prices of the respective underlyings on the valuation date in relation to the respective strike, but at least to the bonus level.

If the reference price of at least one underlying on the valuation date falls below or, where applicable, reaches the respective barrier, the Issuer will pay a cash settlement in the case of Securities with a cash settlement redemption style. The cash settlement is equal to the nominal amount multiplied by either the lowest or highest performance or by the average percentage performance of all the underlyings.

For Securities with a (physical) delivery redemption style, the Issuer will deliver an Asset (deliverable asset) in accordance with the specified number of the deliverable asset, instead of paying a cash settlement. The Asset to be delivered is determined on the basis of the underlying with the lowest or highest percentage performance (as specified in the applicable Final Terms).

d. Multi Bonus Cap Certificates and Multi Bonus Cap Pro Certificates

The particular feature of Multi Bonus Cap Certificates compared with Multi Bonus Certificates is that they also have a cap, which is set as a percentage above or equal to the bonus level.

If none of the observation prices of the respective underlyings has fallen below or – if so provided in the Final Terms – reached the respective barrier during the observation period, the Issuer will pay a cash settlement at the maturity of the Securities. The cash settlement is equal to the nominal amount multiplied by either the performance of the underlying with the best or worst performance or by the average percentage performance of the underlyings, determined on the basis of the reference prices of the respective underlyings on the valuation date in relation to the respective strike, but at least to the bonus level and at most to the maximum amount.

If at least one observation price of the respective underlyings has fallen below or – if so provided in the Final Terms – reached the respective barrier during the observation period, the bonus mechanism no longer applies.

In this event, the Issuer will pay a cash settlement for Securities with a cash settlement redemption style, which is equal to the nominal amount multiplied by the percentage performance of the underlying with the best or worst performance or by the average percentage performance of the underlyings, determined on the basis of the reference prices of the respective underlyings on the valuation date in relation to the respective strike, but at most to the maximum amount.

For Securities with a (physical) delivery redemption style, the Issuer will deliver an Asset (deliverable asset) in accordance with the specified number of the deliverable asset, instead of paying a cash settlement. The Asset to be delivered is determined on the basis of the underlying with either the lowest or highest percentage performance. In the event that the equivalent value of the Assets to be delivered is equal to or higher than the maximum amount, the investor will receive payment of the maximum amount instead of delivery of the Assets.

In the event that the respective barrier is observed only on the valuation date at the time of the determination of the reference prices (closing price observation, also referred to as a Multi Bonus Cap **Pro** Certificate), the Issuer will pay a cash settlement at the maturity of the Securities, if none of the reference prices of the respective underlyings has fallen below or – if so provided in the Final Terms – reached the respective barrier on the valuation date. The cash settlement is equal to the nominal amount multiplied by either the performance of the underlying with the best or worst performance or by the average percentage performance of the underlyings, determined on the basis of the reference prices of the respective underlyings on the valuation date in relation to the respective strike, but at least to the bonus level and at most to the maximum amount.

If at least one reference price of an underlying fallen below or – if so provided in the Final Terms – reached the respective barrier on the valuation date, the claim to payment of the bonus amount described above is lost and the Issuer will pay a cash settlement for Securities with a cash settlement redemption style.

The cash settlement is equal to the nominal amount multiplied by the percentage performance of the underlying with the best or worst performance or by the average percentage performance of the underlyings, determined on the basis of the reference prices of the respective underlyings on the valuation date in relation to the respective strike, but at most to the maximum amount.

For Securities with a (physical) delivery redemption style, the Issuer will deliver an Asset (deliverable asset) in accordance with the specified number of the deliverable asset, instead of paying a cash settlement. The Asset to be delivered is determined on the basis of the underlying with either the lowest or highest percentage performance. In the event that the equivalent value of the Assets to be delivered is equal to or higher than the maximum amount, the investor will receive payment of the maximum amount instead of delivery of the Assets.

7.4.4 Reverse Bonus certificate structures

a. Reverse Bonus Certificates

In the case of Reverse Bonus Certificates, the investor generally benefits if the price of the underlying falls. Increases in the price of the underlying are normally disadvantageous for the investor, on the other hand. The value of these certificates therefore generally rises – subject to other factors and product features which are significant for the value of the Securities – when the price of the underlying falls, and vice versa.

The features of the Reverse Bonus Certificates include a reverse level, a bonus level and a barrier. The investor has the opportunity to benefit from negative performance by the underlying and slight increases in price which do not (reach or) exceed the barrier. These Securities do not provide for (physical) delivery as a redemption style.

Reverse Bonus Certificates with Ratio

If the observation price of the underlying does not rise above or – if so provided in the Final Terms – reach the barrier at any time during the observation period, at the maturity of the Securities the Issuer will pay the difference between the

reverse level and the reference price of the underlying on the valuation date (taking into account the ratio), but at least the bonus amount. The bonus amount is calculated from the difference between the reverse level and the bonus level (taking into account the ratio).

If the observation price of the underlying rises above or – if so provided in the Final Terms – reaches the barrier at least once during the observation period, the claim to payment of the bonus amount described above is lost. In this event, at the maturity of the Securities the Issuer will pay the difference between the reverse level and the reference price of the underlying on the valuation date (taking into account the ratio) (but at least zero (0)).

Reverse Bonus Certificates with Nominal Amount

If the observation price of the underlying does not rise above or – if so provided in the Final Terms – reach the barrier at any time during the observation period, at the maturity of the Securities the Issuer will pay a Cash Amount calculated based on the reverse of the performance of the underlying since the issue date. In this event, the Cash Amount is equal to the nominal amount multiplied by the difference, divided by the initial reference price, between the reverse level and the reference price of the underlying on the valuation date, but at least to the bonus amount. The bonus amount is calculated by multiplying the nominal amount by the difference, divided by the initial reference price, between the reverse level and the bonus level.

If the observation price of the underlying rises above or – if so provided in the Final Terms – reaches the barrier at least once during the observation period, the claim to payment of the bonus amount described above is lost. The Cash Amount paid by the Issuer at the maturity of the Securities in this event is equal to the nominal amount multiplied by the difference, divided by the initial reference price, between the reverse level and the reference price of the underlying on the valuation date (but at least to zero (0)).

b. Reverse Bonus Pro Certificates

In general terms, Reverse Bonus Pro Certificates function in the same way as the Reverse Bonus Certificates described above. However, the barrier is not observed during an observation period, but only on the valuation date at the time of the determination of the reference price (closing price observation).

In the case of Reverse Bonus Pro Certificates, therefore, the investor receives the Cash Amount calculated as shown above if the reference price of the underlying on the valuation date does not exceed or – if so provided in the Final Terms – reach the barrier.

c. Reverse Bonus Cap Certificates

Reverse Bonus Cap Certificates function in the same way as traditional Reverse Bonus Certificates with one significant exception: in addition to a reverse level, bonus level and barrier, these Securities also have a cap, which is set below or equal to the bonus level. This means that investors can only participate in price falls of the underlying as far as the cap.

Reverse Bonus Cap Certificates with Ratio

For Reverse Bonus Cap Certificates, the Cash Amount is calculated in principle as in the preceding section 0 for Reverse Bonus Certificates, but is subject to an upper limit of the difference between the reverse level and the cap (taking into account the ratio).

Reverse Bonus Cap Certificates with Nominal Amount

For Reverse Bonus Cap Certificates, the Cash Amount is calculated in principle as in the preceding section 0 for Reverse Bonus Certificates, but is subject to an upper limit on the nominal amount multiplied by the difference, divided by the initial reference price, between the reverse level and the cap.

d. Reverse Bonus Cap Pro Certificates

In general terms, Reverse Bonus Cap Pro Certificates function in the same way as the Reverse Bonus Cap Certificates described above. However, the barrier is not observed during an observation period, but only on the valuation date at the time of the determination of the reference price (closing price observation).

In the case of Reverse Bonus Pro Certificates, therefore, the investor receives the Cash Amount calculated as shown above if the reference price of the underlying on the valuation date does not exceed or – if so provided in the Final Terms – reach the barrier. If the reference price of the underlying on the valuation date exceeds or – if so provided in the Final Terms – reaches the barrier, the claim to payment of the bonus amount described above is lost and the investor receives the corresponding Cash Amount as described above.

7.4.5 Express structures

a. Express Certificates/Notes

Express Certificates/Notes are linked to an underlying and their features include a strike and a redemption level (or more than one redemption level, where applicable). The strike generally corresponds to the price of the underlying on the issue date or fixing date, but may also be fixed at a lower or higher level. The features of Express Certificates/Notes also include a bonus threshold (or more than one bonus threshold, where applicable). The redemption level and the bonus threshold each consist of one or more price threshold(s) that are determined in percentage terms on the basis of the price of the underlying on the issue date or fixing date. A different redemption level or a different bonus threshold may be specified for each valuation date.

Early redemption / redemption at maturity

The distinguishing characteristic of Express Certificates/Notes is that the redemption date depends on whether the reference price or observation price (as specified in the Final Terms) of the underlying on a valuation date is higher than or – if so provided in the Final Terms – equal to the respective applicable redemption level. If this is the case, the term of the Securities ends early and the investor receives payment of a cash settlement following the valuation date on which the relevant price exceeded or – if so provided in the Final Terms – reached the redemption level ("**Early Redemption**"). The level of the cash settlement in the event of Early Redemption ("**Early Redemption Amount**") generally corresponds to the nominal amount. However, the Final Terms may also provide that the Early Redemption Amount is equal to the nominal amount multiplied by the performance of the underlying (but at least to the nominal amount), or to the nominal amount multiplied by a redemption factor that may be specified in the Final Terms. If the reference price of the underlying on a valuation date is below the applicable redemption level, the term of the Security continues to the next valuation date, at which time the conditions for Early Redemption are assessed again.

If Early Redemption does not result on any of the valuation dates, the reference price of the underlying on the final valuation date determines the amount and nature of the redemption:

- If the reference price of the underlying on the final valuation date is above or – if so provided in the Final Terms – equal to the strike or the final redemption level, the investor receives the nominal amount.
- But if the reference price of the underlying on the final valuation date is below or – if so provided in the Final Terms – equal to the strike or the final redemption level, the investor receives either a cash settlement equal to the nominal amount multiplied by the performance of the underlying, or – if (physical) delivery is specified as the redemption style in the Final Terms – an Asset (deliverable asset) in accordance with the number of the deliverable asset. In this event, the cash settlement or the equivalent value of the Asset delivered will be less than the nominal amount.

Bonus payments

In addition, Express Certificates/Notes offer the possibility of receiving an additional Cash Amount (bonus amount). The bonus amount is determined at the time of the issue either as a certain amount or, as the case may be, depending on the level of objective reference values (for example the level of the underlying and / or the performance of the underlying). The bonus amount may be different for each observation date or bonus payment date or for individual observation dates or bonus payment dates.

Bonus payments are based on the reference price or observation price of the underlying ("**Conditional Bonus Payment**").

For the purpose of a Conditional Bonus Payment, a determination is made whether a bonus event defined in the Product Conditions has occurred on an observation date. If this is the case, the investor receives the bonus amount allocated to that observation date. Otherwise, no bonus amount is paid for that observation date.

Following an Early Redemption, no (further) bonus payments are made on the Securities.

b. Protect Express Certificates/Notes and Protect Pro Express Certificates/Notes

Express Certificates/Notes may also feature a barrier (Protect Express Certificates/Notes). The barrier is specified at the time of issue, normally below the strike. If the observation price of the underlying does not fall below or – if so provided in the Final Terms – reach the barrier at any time during the observation period, the investor will at least receive the nominal amount at the end of the term, even if the reference price on the final valuation date is below or – if so provided in the Final Terms – equal to the strike. If a barrier event has occurred, however, the investor will participate in the losses suffered by the underlying.

It is frequently specified in the case of Protect Express Certificates/Notes that the barrier will only be observed on the final valuation date (closing price observation, also referred to as a Protect **Pro** Express Certificate/Bond). In such cases the investor will at least receive the nominal amount, provided that the reference price on the final valuation date is

above or – if so provided in the Final Terms – equal to the barrier. The investor will participate in the losses suffered by the underlying only if the reference price is below or – if so provided in the Final Terms – equal to the barrier.

Repayment of the nominal amount at least is guaranteed, as long as a barrier event has not occurred. In this case, however, the investment may not generate a return for the investor if no bonus amounts are paid.

c. Memory Express Certificates/Notes

(Protect (Pro)) Express Certificates/Notes described as "Memory" offer the additional possibility of subsequently recovering bonus payments not made. If the investor does not receive a bonus amount for an observation date but the conditions for a bonus payment are met on a subsequent observation date, bonus payments previously omitted are paid additionally on the relevant observation date.

d. Best Entry Express Certificates/Notes

In the case of (Memory) (Protect (Pro)) Express Certificates/Notes described as "Best Entry", the initial reference price is not specified at the time of issue, but only at a later date. In these circumstances, the lowest reference price (or other price which may be stipulated in the Final Terms) of the underlying observed during a period defined in the Final Terms (Best Entry observation period) is normally specified as the initial reference price on the fixing date.

e. Multi Express Certificates/Notes

(Best Entry) (Memory) (Protect (Pro)) Multi Express Certificates/Notes are linked not just to one underlying but to several underlyings, in contrast to (Best Entry) (Memory) (Protect (Pro)) Express Certificates/Notes.

For these Securities, any Early Redemption, the payment of a bonus amount and also the payment of the Cash Amount at the maturity of the Securities depend on the respective prices of all the underlyings. For example, Early Redemption for (Memory) (Protect (Pro)) Multi Express Certificates/Notes is subject to the condition that the reference prices of all underlyings on a valuation date are above or – if so provided in the Final Terms – equal to their respective redemption levels. If provided for, bonus payments are only made if the reference prices of all underlyings on an observation date are higher than or – if so provided in the Final Terms – equal to their respective bonus thresholds.

If Early Redemption has not taken place, the nature and level of redemption at maturity is also determined on the basis of the reference prices of all the underlyings on the final valuation date: If the reference price of at least one underlying is below or – if so provided in the Final Terms – equal to its strike or final redemption level and – for structures with a barrier – if a barrier event has also occurred, the level of the Cash Amount or the equivalent value of the Assets to be delivered is generally determined on the basis of the underlying with the lowest or highest performance (as specified in the applicable Final Terms). In other cases the investor receives payment of the nominal amount.

7.4.6 Fix Coupon Express structures

a. Fix Coupon Express Certificates/Notes

Fix Coupon Express Certificates/Notes function in a similar manner to Express Certificates/Notes. They are also linked to an underlying and feature a strike and a redemption level (or more than one redemption level, where applicable). Fix Coupon Express Certificates/Notes differ from Express Certificates/Notes in that they do not provide for a Conditional Bonus Payment. Instead, the investor receives either the bonus amount allocated to that bonus payment date on each bonus payment date irrespective of the performance of the underlying ("**Unconditional Bonus Payment**") or an interest amount on one or more interest payment dates specified in the Final Terms. It should be noted, however, that in the event of Early Redemption (see the relevant explanations in section 7.4.5) no (further) bonus payments are made in respect of the Securities or the interest accrual period ends early, respectively.

b. Protect Fix Coupon Express Certificates/Notes and Protect Pro Fix Coupon Express Certificates/Notes

As in the case of Express Certificates/Notes, the features of Fix Coupon Express Certificates/Notes may also include a barrier (known as Protect Fix Coupon Express Certificates/Notes or Protect Pro Fix Coupon Express Certificates/Notes). The details relating to the method of operation of Protect Express Certificates/Notes and Protect Pro Express Certificates/Notes in section 7.4.5.b) also apply analogously to Protect Fix Coupon Express Certificates/Notes and Protect Pro Fix Coupon Express Certificates/Notes.

c. Best Entry Fix Coupon Express Certificates/Notes

In the case of (Protect (Pro)) Fix Coupon Express Certificates/Notes described as "Best Entry", the initial reference price is not specified at the time of issue, but only at a later date. In these circumstances, the lowest reference price (or other price which may be stipulated in the Final Terms) of the underlying observed during a period defined in the Final Terms (Best Entry observation period) is normally specified as the initial reference price on the fixing date.

d. Multi Fix Coupon Express Certificates/Notes

(Best Entry) (Protect (Pro)) Multi Fix Coupon Express Certificates/Notes are linked not just to one underlying but to several underlyings, in contrast to (Best Entry) (Protect (Pro)) Fix Coupon Express Certificates/Notes. The details relating to the method of operation of Multi Express Certificates/Notes in section 7.4.5.e) also apply analogously to Multi Fix Coupon Express Certificates/Notes.

7.4.7 Reverse Convertible structures

Depending on the type of underlying, Reverse Convertibles are also referred to as equity-linked, index-linked or commodity-linked notes.

Reverse Convertible structures provide the opportunity to generate a return in the event of stagnant, gently rising or gently falling prices of the underlying or underlyings. A positive return can be achieved if the underlyings simply maintain their level or fall only slightly. The investor normally receives the maximum profit if the underlyings reach or exceed their allocated strike.

In all cases the investor receives the interest payments which are independent of the performance of the underlyings.

a. Reverse Convertibles

At the maturity of the Securities, the investor receives the nominal amount, provided that the reference price of the underlying on the valuation date is above or – if so provided in the Final Terms – equal to the strike.

If, however, the reference price of the underlying on the valuation date is below or – if so provided in the Final Terms – equal to the strike, the investor receives – in the case of Securities with a cash settlement redemption style – a cash amount calculated on the basis of the reference price of the underlying on the valuation date after reflecting the ratio or by multiplying the nominal amount by the performance of the underlying. For Securities with a (physical) delivery redemption style, the Issuer will deliver an Asset (deliverable asset) in accordance with the specified number of the deliverable asset, instead of paying a cash amount.

In addition, the investor receives an interest amount on one or more interest payment dates specified in the Final Terms. The payment of interest is independent of the performance of the underlying.

b. Barrier Reverse Convertibles (Protect Reverse Convertibles and Protect Pro Reverse Convertibles)

In contrast to Reverse Convertibles, Barrier Reverse Convertibles also feature a barrier which is defined at the time of issue.

The investor receives the nominal amount at maturity if (i) a barrier event has not occurred or (ii) a barrier event has occurred, but the reference price of the underlying on the valuation date is above or – if so provided in the Final Terms – equal to the strike.

On the other hand, the Issuer will pay a cash amount – in the case of Securities with a cash settlement redemption style – if a barrier event has occurred and the reference price of the underlying on the valuation date is below or – if so provided in the Final Terms – equal to the strike. The cash amount is calculated on the basis of the reference price of the underlying on the valuation date (taking into account the ratio) or by multiplying the nominal amount by the performance of the underlying. For Securities with a (physical) delivery redemption style, the Issuer will deliver an Asset (deliverable asset) in accordance with the specified number of the deliverable asset, instead of paying a cash amount.

A barrier event occurs if either (i) the observation price of the underlying falls below or – if so provided in the Final Terms – is equal to the barrier at least once during the observation period or (ii) – in the event of closing price observation (also referred to as a Protect Pro Reverse Convertible) – the reference price of the underlying on the valuation date is below or – if so provided in the Final Terms – equal to the barrier.

In addition, the investor receives an interest amount on one or more interest payment dates specified in the Final Terms. The payment of interest is independent of the performance of the underlying.

c. Multi Reverse Convertibles

In contrast to Reverse Convertibles, Multi Reverse Convertibles are linked to multiple underlyings and not just one.

At the maturity of the Securities, the investor receives the nominal amount, provided that the reference prices of all the underlyings on the valuation date are above or – if so provided in the Final Terms – equal to the respective strikes.

If, on the other hand, the reference price of at least one underlying on the valuation date is below or – if so provided in the Final Terms – equal to its respective strike, the Issuer will pay a cash amount – in the case of Securities with a cash settlement redemption style – calculated on the basis of the reference price or the performance of the underlying with the lowest or highest performance or another performance specified in the Final Terms. For Securities with a (physical) delivery redemption style, the Issuer will deliver the relevant underlying or an Asset linked to that underlying (deliverable asset) in accordance with the specified number of the deliverable asset, instead of paying a cash amount.

In addition, the investor receives an interest amount on one or more interest payment dates specified in the Final Terms. The payment of interest is independent of the performance of the underlyings.

d. Barrier Multi Reverse Convertibles (Protect Multi Reverse Convertibles and Protect Pro Multi Reverse Convertibles)

Barrier Multi Reverse Convertibles combine the methods of operation of Multi Reverse Convertibles and Barrier Reverse Convertibles.

The investor receives the nominal amount at the maturity of the Securities if (i) a barrier event has not occurred or (ii) a barrier event has occurred, but the reference prices of all the underlyings on the valuation date are above or – if so provided in the Final Terms – equal to the respective strikes.

If, on the other hand, a barrier event has occurred and the reference price of at least one underlying on the valuation date is below or – if so provided in the Final Terms – equal to its respective strike, the Issuer will pay a cash amount – in the case of Securities with a cash settlement redemption style – calculated on the basis of the reference price or the performance of the underlying with the lowest or highest performance or another performance specified in the Final Terms. For Securities with a (physical) delivery redemption style, the Issuer will deliver the relevant underlying or an Asset linked to that underlying (deliverable asset) in accordance with the specified number of the deliverable asset, instead of paying a cash amount.

A barrier event occurs if either (i) the observation price of at least one underlying falls below or – if so provided in the Final Terms – is equal to the relevant barrier for the respective underlying at least once during the observation period or (ii) – in the event of closing price observation (also referred to as a Protect Pro Multi Reverse Convertible) – the reference price of at least one underlying on the valuation date is below or – if so provided in the Final Terms – equal to the relevant barrier for the respective underlying.

In addition, the investor receives an interest amount on one or more interest payment dates specified in the Final Terms. The payment of interest is independent of the performance of the underlyings.

e. Reverse Convertible structures described as Floater or Floored Floater

The features of (Barrier) (Multi) Reverse Convertibles of the Floater variety include a variable rate of interest instead of a fixed rate of interest.

This variable rate of interest depends on a reference interest rate and is determined during the term of the Securities on the dates specified in the Final Terms for the respective interest period.

The determination of the rate of interest applicable for an interest period is generally carried out prior to the start of an interest period. The interest is then normally paid in arrears at the end of the interest period. The Final Terms may also provide for a combination of fixed and variable interest payments, i.e. for the payment of a fixed rate of interest for specified interest periods and a variable rate of interest for other interest periods.

(Barrier) (Multi) Reverse Convertibles of the Floored Floater variety also bear a variable rate of interest. However, a minimum interest rate is specified as the lower limit (floor) for the variable rate of interest and represents the minimum interest payment to the investor.

f. Reverse Convertible structures described as Best Entry

In the case of (Barrier) (Multi) Reverse Convertibles described as "Best Entry", the initial reference price is not specified at the time of issue, but only at a later date. In these circumstances, the lowest reference price (or other price which may

be stipulated in the Final Terms) of the underlying observed during a period defined in the Final Terms (Best Entry observation period) is normally specified as the initial reference price on the fixing date.

g. Reverse Convertible structures described as Chance

(Barrier) (Multi) Reverse Convertibles can be structured in such a way that the investor receives an additional cash amount (also referred to as a bonus amount) on specified observation dates, if the reference price of the underlying or of all the underlyings on an observation date is above or – if so specified in the Final Terms – equal to the (respective) bonus threshold of the underlying or underlyings. The level of the bonus amount is either specified in advance or varies depending on the level of the underlying (and is calculated in accordance with a specific formula provided in the Final Terms). Different levels for the cash amount may be specified for each observation date.

h. Reverse Convertible structures described as Lock-in

(Barrier) (Multi) Reverse Convertibles may also feature a "lock-in level", which is normally set above the (respective) strike. On certain observation dates (the "lock-in observation dates") an assessment is made of whether the requirements for a "lock-in event" have been met, i.e. the reference price of the underlying or of all the underlyings is above or – if so provided in the Final Terms – equal to the (respective) lock-in level of the underlying or underlyings. If this is the case on one of the lock-in observation dates, the investor receives payment of the nominal amount on the maturity date, irrespective of the reference price of the underlying or underlyings on the valuation date or – if applicable – the occurrence of a barrier event. A different lock-in level may be set for each lock-in observation date.

i. Reverse Convertible structures with partial redemption during the term

The Final Terms may provide for part of the nominal amount of the (Barrier) (Multi) Reverse Convertibles to be redeemed before the end of the term. In this event, on the maturity date (provided that the other relevant requirements, as described above, have been met) either the correspondingly reduced nominal amount is paid, or cash amount or the delivery of assets on the basis of a correspondingly reduced ratio is specified. In such cases, interest payable is also determined on the basis of the reduced nominal amount from the date of the partial redemption.

7.4.8 Securities with Collateralisation (COSI)

Securities with Collateralisation are collateralised by an agreement concluded between SIX Swiss Exchange AG, SIX SIS AG, Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland, as collateral provided (the "**Collateral Provider**") and Vontobel Financial Products GmbH as Issue (the "**Framework Agreement**"). The Framework Agreement represents a genuine contract for the benefit of third parties pursuant to article 112 (2) of the Swiss Code of Obligations (*Schweizerisches Obligationenrecht*).

The collateralisation is effected for the benefit of SIX Swiss Exchange by means of a regular right of lien. The collateral is booked to an account of SIX Swiss Exchange with SIX SIS. The investors have no separate security interest of their own in the collateral. The Securities and the collateral are valued on each banking day. The Collateral Provider is required to adjust the collateralisation in response to any changes in value. The permitted collateral is selected on an ongoing basis by SIX Swiss Exchange from various categories of collateral. The Issuer will provide guidance to the investors on request about the respective collateral permitted for the collateralisation of the Securities. The Collateral Provider will pay SIX Swiss Exchange a fee for its services relating to the collateralisation of the Securities. Notice of any change of Collateral Provider will be given in accordance with the provisions of this Base Prospectus.

7.5 General description of the underlying

The Securities may be linked in each case to one or more shares, securities representing shares (ADRs/GDRs), other dividend-bearing securities, bonds, indices, commodities, futures, interest rate futures, exchange rates, interest rates, investment units and virtual currencies.

The relevant Final Terms will specify the respective underlying or the respective underlyings and contain information about the respective underlying(s) or indicate where information about the respective underlying(s), and in particular about its or their past and future performance and its or their volatility, can be obtained.

In the eventuality that an index is specified as the underlying in the relevant Final Terms and that index is provided by a legal or natural person acting in association with the Issuer or on its behalf, the Issuer makes the following statement:

- the complete set of rules of the index and information on the performance of the index are freely accessible on the website certificates.vontobel.com under the heading <<Overview of Underlyings>> or on the website of the respective index sponsor or reference agent; and
- the governing rules (including methodology of the index for the selection and the re-balancing of the constituents of the index, the description of market disruption events and adjustment rules) are based on predetermined and objective criteria.

The Issuer does not intend to provide further information about the underlying after the issue.

Description of a virtual currency using Bitcoin as an example

If the underlying or basket constituent is a virtual currency expressed in another currency (for example, US dollar for 1 Bitcoin), the performance of the Securities is affected by the performance of the virtual currency.

Virtual currency is a general term under which cryptographic currencies such as Bitcoin are also subsumed. The concept of a virtual currency denotes a certain type of unregulated virtual money that is not issued or backed by a central bank.

In the recent past, the virtual currency Bitcoin has led the way for a new generation of decentralised currencies, frequently also referred to as cryptographic currencies. The Bitcoin project was realised using open source software, i.e. as a programme that is freely available to everyone. All potential users can download programmes (clients) enabling them to participate in the Bitcoin network. The network functions on a peer-to-peer basis, in which all users in principle have equal rights in relation to one another. There is no central authority which executes, controls or administers transactions or which generates Bitcoins.

Bitcoin is based on the idea of a stateless substitute currency with a limited volume of money. In contrast to the fiat money of central banks and the scriptural money of commercial banks which can be issued without limit, Bitcoins are created using a mathematical process within a computer network. The programmes do this by solving laborious cryptographic problems (mining). As a result of the increasing complexity of the problems, the volume of Bitcoins is growing at an ever slower rate until eventually – under the arrangements currently in place – it will reach the maximum number of around 21 million. In mid-2016, there were more than 15.7 million Bitcoins in existence. Bitcoins are divisible, so that units smaller than one Bitcoin can also be transferred.

Existing Bitcoins are allocated to "addresses". These consist of a randomly generated series of characters and numbers. Every user can generate a large number of addresses to which Bitcoins can then be allocated. Users manage these addresses with their clients in files known as wallets, which also contain the respective private and public pairs of keys used to authenticate Bitcoin transactions within the network. Users can transfer Bitcoins between each other to and from their addresses within the network. They must communicate the respective target addresses to each other outside the network.

The Bitcoins at the respective addresses and all previous transactions in Bitcoin are publicly viewable in a central file, the blockchain. However, the address in the network does not enable the person actually holding those Bitcoins to be identified. Once a transaction has been carried out, it is in principle not reversible. As well as transferring Bitcoins within the network, it is also possible to transfer wallets, as well as addresses and keys, between people physically, for example using data storage devices.

In Germany, BaFin has classified Bitcoins, with binding legal effect, as financial instruments in the form of units of account in accordance with section 1 (11) sentence 1 of the German Banking Act (*Kreditwesengesetz*, "KWG"). These are units that are comparable with foreign exchange and do not constitute legal tender. This category includes units of value having the function of private means of payment in barter transactions, as well as any other substitute currency used by virtue of agreements under private law as a means of payment in multilateral settlement accounts. A central issuer is not required for this purpose (source: BaFin, Jens Münzer, "Bitcoins: Supervisory assessment and risks to users", available at: <https://www.bafin.de/dok/7849756>; last accessed on 25 September 2018).

7.6 Increase of issues

The issue size of Securities issued under this Base Prospectus (respectively the "**Original Securities**") may be increased under this Base Prospectus ("**Increase of Issue**"), and the Securities' issue size may be increased on more than one occasion. Final Terms are prepared for the respective Additional Securities (as defined below) for this purpose in accordance with the specimen in section 12 of this Base Prospectus.

The Additional Securities together with the Original Securities form a single issue of Securities within the meaning of section 13 of the General Conditions (corresponding to the increased issue volume), i.e. they have the same securities identification numbers and the same features.

"Additional Securities" refers to the Securities whose issue size, specified in the Product Conditions, represents the increase in the issue size of the Original Securities. The sequential number of the increase in the respective Securities is indicated on the cover sheet of the Final Terms.

The Final Terms will be made available in electronic form on the Issuer's website, certificates.vontobel.com. Printed copies will be available on request free of charge from the Issuer (Bockenheimer Landstr. 24, 60323 Frankfurt am Main, Germany).

7.7 Continuation of a Public Offer of Securities

Under this Base Prospectus, the Public Offer of Securities, which has initially begun under the Base Prospectus dated 25 September 2017 and which still continues without any previous interruption at the time of the approval of this Base Prospectus, will continue as described below **"Continuation of a Public Offer"**). The Base Prospectus dated 25 September 2018 is valid until the date twelve months after approval of this Base Prospectus. The Base Prospectus dated 25 September 2018 follows the Base Prospectus dated 25 September 2017.

For this purpose, the information contained in the Form of Final Terms included in the Base Prospectus dated 25 September 2017 will be incorporated by reference at this point in accordance with § 11 WpPG.

The Securities for which the Public Offer is to be continued are indicated by their respective international securities identification number (ISIN) in section 14 of the Base Prospectus (Appendix "Continued Offers"). The Final Terms for the securities described therein are published on the Issuer's website at certificates.vontobel.com.

Information on the Terms and Conditions applicable in the event of a Continuation of a Public Offer

For the purposes described in section 15 of the Base Prospectus, the Terms and Conditions under the Base Prospectus dated 25 September 2017 continue to be legally binding. For this reason, the General Conditions as well as the Product Conditions contained in the Base Prospectus dated 25 September 2017 will be included in the Base Prospectus according to § 11 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*, "**WpPG**"). The Terms and Conditions as set out in section 8 of the Base Prospectus are not relevant for the Securities for which the Public Offer is to be continued.

8. Terms and Conditions

The "**General Conditions**" (see section 8.1 of this Base Prospectus) apply in principle to all Securities to be issued under this Base Prospectus. The features of the Securities and in particular the precise nature of the security right are specified in each case in the "**Product Conditions**" (see section 8.2 of this Base Prospectus). The Product Conditions supplement the General Conditions with the product- and issue-specific product features.

The product features identified by means of a placeholder • or square brackets [] as an option in the Product Conditions will be not be specified by the Issuer until shortly prior to the start of the offer and will be added in the Final Terms. If, in the event of an offer of Securities during a subscription period, details of the relevant Securities are not specified until the subscription period has expired, those details will be published in the manner prescribed in the Final Terms.

The Product Conditions in the form in which they are published in the Final Terms must be read in conjunction with the General Conditions and together with the General Conditions constitute the terms and conditions (the "**Terms and Conditions**"). The General Conditions will not be repeated in the Final Terms.

References in the Base Prospectus or in the Final Terms to the term "**Securities**" are intended to include all securities and every form in which securities and intermediated securities are issued under the Base Prospectus and the Final Terms.

8.1 General Conditions

Section 1 Security Right, Status, Guarantee

(1) Vontobel Financial Products GmbH, Frankfurt am Main (the "**Issuer**") shall issue Securities from time to time. The Issue Date, Issue Size and Product Features of the Securities shall be specified in each case in the "Product Conditions". The "General Conditions" and the "Product Conditions", as published in the Final Terms, together constitute the terms and conditions (the "**Terms and Conditions**").

(2) Each Security identified by its respective securities identification numbers (in each case a "**Security**") shall create a right on the part of the Security Holder (as defined in section 8 (4) below) to require the Issuer to redeem the Security in accordance with section 3 of these General Conditions in conjunction with the Product Conditions (the "**Security Right**").

(3) Termination of the Securities by the Security Holder shall not be possible.

(4) The obligations arising from the Securities constitute direct and – subject to the following sentence – unsecured obligations of the Issuer that rank *pari passu* in relation to one another and in relation to all other unsecured and unsubordinated obligations of the Issuer, with the exception of obligations that have priority due to mandatory statutory requirements.

If the Product Conditions provide that the Securities are secured by collateral (Collateral Secured Instruments, "COSI"), the obligations arising from the Securities constitute – notwithstanding the preceding sentence – direct obligations of the Issuer that are secured in rem by assets of the Collateral Provider in accordance with section 14. In this event, the obligations arising from the Securities rank *pari passu* in relation to one another and in relation to all other obligations of the Issuer that are secured in rem and are unsubordinated, with the exception of obligations that have priority due to mandatory statutory requirements.

*If the Product Conditions stipulate **Guarantor – Bank Vontobel Europe AG, Munich (the German Guarantor)**, the following paragraph (5) shall apply:*

(5) The performance of the Issuer's obligations under these Terms and Conditions is guaranteed by Bank Vontobel Europe AG, Munich, Germany (the "**German Guarantor**"). The obligations of the German Guarantor under the guarantee (the "**German Guarantee**") constitute direct, unsubordinated and unsecured obligations of the German Guarantor ranking, in the event of dissolutions, liquidation or insolvency of the German Guarantor or any proceeding to avoid insolvency of the German Guarantor, *pari passu* with all other present and future unsubordinated and unsecured obligations of the German Guarantor, save for such obligations which may be preferred by applicable law. Upon first written demand by the Security Holders and their written confirmation that an amount or, where so provided, an underlying relating to the Securities has not been paid and/or delivered when due by the Issuer, the German Guarantor shall pay to them all amounts required to fulfil the intent and purpose of the German Guarantee. Payments under the German Guarantee are subject to (without limitation) the Terms and Conditions of the Securities. If the Terms and Conditions provide for the delivery of Deliverable Assets by the Issuer, the German Guarantor will instead pay a Cash Amount equal to the monetary value of the Deliverable Assets to be delivered, as specified in the Product Conditions. Deliverable Assets will not be delivered by the German Guarantor. The form and content of the German Guarantee as well as all rights and duties arising therefrom are governed exclusively by the laws of Germany. Non-exclusive court of venue for all litigation with the German Guarantor and arising from the legal relations established under the German Guarantee is Munich.

*If the Product Conditions stipulate **Guarantor – Vontobel Holding AG, Zurich (the Swiss Guarantor)**, the following paragraph (6) shall apply:*

(6) The performance of the Issuer's obligations under these Terms and Conditions is guaranteed by Vontobel Holding AG, Zurich, Switzerland (the "**Swiss Guarantor**"). The obligations of the Swiss Guarantor under the guarantee (the "**Swiss Guarantee**") constitute direct, unconditional and unsecured obligations of the Swiss Guarantor that rank *pari passu* in relation to one another. Upon the first request of the Security Holders and written confirmation by them that an amount relating to the Securities has not been paid by the Issuer at the proper time, the Swiss Guarantor shall pay to the Security Holders without undue delay all amounts payable in accordance with the Terms and Conditions. If the Terms and Conditions provide for the delivery of Deliverable Assets by the Issuer, the Swiss Guarantor will instead pay a Cash Amount equal to the monetary value of the Deliverable Assets to be delivered, as specified in the Product Conditions. Deliverable Assets will not be delivered by the Swiss Guarantor. All rights and obligations arising from the Swiss Guarantee shall be subject in all respects to Swiss law. The courts of the Canton of Zurich shall have exclusive jurisdiction over all actions and legal disputes relating to the Swiss Guarantee. The place of jurisdiction shall be Zurich 1. Notwithstanding the foregoing, appeals may be lodged with the Swiss Federal Supreme Court (*Schweizerisches Bundesgericht*) in Lausanne, whose decision shall be final.

Section 2 Definitions

For the purposes of these Terms and Conditions, the following definitions shall apply, subject to more specific provisions in the Product Conditions:

Redemption Style	means the redemption style specified in the Product Conditions. The Redemption Style may be either "cash settlement" or "(physical) delivery" and is relevant for the form of redemption at maturity pursuant to section 3: (a) If "cash settlement" is applicable, redemption shall be effected by the payment of a Cash Amount. (b) If "(physical) delivery" is applicable, redemption shall be effected either by the payment of a Cash Amount or by the delivery of a Deliverable Asset, as specified in detail in the respective Product Conditions.
Initial Reference Price	means the price of the Underlying specified in the Product Conditions at the date on which the Securities are issued by the Issuer.
Issue Date	means the date specified in the Product Conditions on which the Securities are issued by the Issuer [or – in the event of the early termination [or extension] of the subscription period – the date announced by the Issuer in accordance with section 12 of the General Conditions].
Product Features	means the Product Features set out in the Product Conditions.
Business Day	means a day (other than a Saturday or Sunday), (a) on which the relevant Central Securities Depository and/or Clearing System is open for business transactions; and (b) on which either (i) – for payments to be made in Euro – the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) System is operating or (ii) – for payments to be made in any other currency than Euro – commercial banks and foreign exchange markets in the principal financial centre in the country of the currency process payments and are open for business transactions (including trading in foreign exchange and foreign currency deposits).
Barrier	shall have – if applicable – the meaning specified in the Product Conditions.
Strike	shall have – if applicable – the meaning specified in the Product Conditions.
Underlying(s)	means the (respective) Underlying(s) specified in the Product Conditions.
Observation Date	shall have – if the possibility of a bonus payment pursuant to section 5 is provided for – the meaning specified in the Product Conditions.
Valuation Date(s)	means the relevant date(s) for the determination of the Reference Price in accordance with the Product Conditions, subject to any postponement pursuant to section 7.
Ratio	means – if applicable – the relationship between the Security and the Underlying specified in the Product Conditions. If it is specified as a fraction, it expresses the number of Securities required to represent a particular number of Underlyings, i.e.: number of Securities: number of Underlyings If it is specified as a decimal number, it expresses the number of units of the Underlying to which a Security is linked, i.e.: number of Underlyings for 1 Security.
Bonus Amount	shall have – if applicable – the meaning specified in the Product Conditions.
Bonus Level	shall have – if applicable – the meaning specified in the Product Conditions.
Bonus Threshold	shall have – if the possibility of a bonus payment pursuant to section 5 is provided for – the meaning specified in the Product Conditions.
Exchange Day	shall have the meaning specified in the Product Conditions.
Expiry Date (<i>Data di Sca-</i>	means the Expiry Date set out in the Product Conditions.

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Cap	shall have – if applicable – the meaning specified in the Product Conditions.
Maturity Date	means the Business Day specified in the Product Conditions on which the Issuer pays the Cash Amount via the central securities depository for onward transfer to the Security Holders.
Final Valuation Date	means, if the Product Conditions stipulate more than one Valuation Date, the last of the Valuation Dates.
Total Nominal Amount	describes – if applicable – the issue volume and means the total nominal amount of the issue specified in the Product Conditions.
Settlement Currency	means the currency specified in the Product Conditions in which the Security is issued.
Term	The Term of the Securities shall begin on the Issue Date (inclusive) and shall end – subject to sections 4, 6, 14 and 15 – on the Valuation Date or – if there is more than one Valuation Date – on the Final Valuation Date (inclusive).
Deliverable Asset	means – if applicable – in the case of the "(physical) delivery" Redemption Style the deliverable asset specified in the Product Conditions. The Deliverable Asset defines the type of assets that may be deliverable.
Nominal Amount	shall have – if applicable – the meaning specified in the Product Conditions.
Reference Price	means the relevant price of an Underlying specified in the Product Conditions on the respective Valuation Date.
Reference Agent	shall have the meaning specified in the Product Conditions.
Reverse Level	shall have – if applicable – the meaning specified in the Product Conditions.
Issue Size	describes – if applicable – the issue volume and means the total issue size of the issue specified in the Product Conditions.
Derivatives Exchange	means any derivatives exchange or any trading system which has been specified in the Product Conditions for the Underlying for the purpose of determining Market Disruption Events pursuant to section 7 or the making of adjustments pursuant to section 6 or the determination of the Reference Price, as well as their legal successors and any substitute exchange or any substitute trading system to which trading in futures or options contracts linked to the Underlying has been transferred. If no derivatives exchange has been specified in the Product Conditions, the Derivatives Exchange for the purposes of the Terms and Conditions shall be the derivatives exchange with the greatest trading volume in options and futures contracts linked to the Underlying.
Redemption Level	shall have – if the possibility of early redemption pursuant to section 4 is provided for – the meaning specified in the Product Conditions.
Currency of the Underlying	means the currency specified in the Product Conditions in which the Underlying is traded or in which its rate or price is determined.

Section 3 Redemption, Maturity

Subject to extraordinary termination by the Issuer pursuant to section 6 (3) and in accordance with the other provisions of the Terms and Conditions, each Security shall create a claim on the part of the Security Holder against the Issuer for the redemption of the Securities on the Maturity Date ("**Redemption at Maturity**") and, if the Registry Type is stipulated to be Italian Uncertificated Certificates and the Securities have a finite term, shall automatically expire on the Expiry Date (*Data di Scadenza*). The type of Redemption at Maturity shall depend on the Redemption Style specified in the Product Conditions.

The Security Holder's claim (with respect both to its type and to its amount) shall be determined and calculated, become due and be satisfied in accordance with the Terms and Conditions, i.e. these General Conditions in conjunction with the Product Conditions.

(1) (Protect (Pro)) (Express) Discount Certificates

- (a) Subject to sections 6 and 7 and – if applicable in accordance with the Product Conditions – subject to sections 4 and 14, the Securities shall be redeemed automatically on the Maturity Date and redemption shall be effected in accordance with the Product Conditions.
- (b) The Securities shall not bear interest (i.e. section 5 shall not be applicable) and shall not entitle the holder to dividend payments or other distributions.
- (c) For this security type, the Product Conditions set out under section 8.2.1 shall apply. The latter also include the rules for determining Redemption at Maturity, among other things.

(2) (Protect (Pro)) Multi Discount Certificates

- (a) Subject to sections 6 and 7 and – if applicable in accordance with the Product Conditions – subject to section 14, the Securities shall be redeemed automatically on the Maturity Date and redemption shall be effected in accordance with the Product Conditions.
- (b) The Securities shall not bear interest (i.e. section 5 shall not be applicable) and shall not entitle the holder to dividend payments or other distributions.
- (c) For this security type, the Product Conditions set out under section 8.2.2 shall apply. The latter also include the rules for determining Redemption at Maturity, among other things.

(3) Bonus (Cap) (Pro) Certificates

- (a) Subject to sections 6 and 7 and – if applicable in accordance with the Product Conditions – subject to section 14, the Securities shall be redeemed automatically on the Maturity Date and redemption shall be effected in accordance with the Product Conditions.
- (b) The Securities shall not bear interest (i.e. section 5 shall not be applicable) and shall not entitle the holder to dividend payments or other distributions.
- (c) For this security type, the Product Conditions set out under section 8.2.3 shall apply. The latter also include the rules for determining Redemption at Maturity, among other things.

(4) Multi Bonus (Cap) (Pro) Certificates

- (a) Subject to sections 6 and 7 and – if applicable in accordance with the Product Conditions – subject to section 14, the Securities shall be redeemed automatically on the Maturity Date and redemption shall be effected in accordance with the Product Conditions.
- (b) The Securities shall not bear interest (i.e. section 5 shall not be applicable) and shall not entitle the holder to dividend payments or other distributions.
- (c) For this security type, the Product Conditions set out under section 8.2.4 shall apply. The latter also include the rules for determining Redemption at Maturity, among other things.

(5) Reverse Bonus (Cap) (Pro) Certificates with Ratio

- (a) Subject to sections 6 and 7 and – if applicable in accordance with the Product Conditions – subject to section 14, the Securities shall be redeemed automatically on the Maturity Date and redemption shall be effected in accordance with the Product Conditions, provided that the Cash Amount is positive.
- (b) If the Cash Amount is not positive, the Security Right shall expire worthless.
- (c) The Securities shall not bear interest (i.e. section 5 shall not be applicable) and shall not entitle the holder to dividend payments or other distributions.
- (d) For this security type, the Product Conditions set out under section 8.2.5 shall apply. The latter also include the rules for determining Redemption at Maturity, among other things.

(6) Reverse Bonus (Cap) (Pro) Certificates with Nominal Amount

- (a) Subject to sections 6 and 7 and – if applicable in accordance with the Product Conditions – subject to section 14, the Securities shall be redeemed automatically on the Maturity Date and redemption shall be effected in accordance with the Product Conditions, provided that the Cash Amount is positive.
- (b) If the Cash Amount is not positive, the Security Right shall expire worthless.
- (c) The Securities shall not bear interest (i.e. section 5 shall not be applicable) and shall not entitle the holder to dividend payments or other distributions.

- (d) For this security type, the Product Conditions set out under section 8.2.6 shall apply. The latter also include the rules for determining Redemption at Maturity, among other things.

(7) (Best Entry) (Protect (Pro)) Fix Coupon Express Certificates/Notes

- (a) Subject to Early Redemption pursuant to section 4, subject to sections 6 and 7 and – if applicable in accordance with the Product Conditions – subject to section 14, the Securities shall be redeemed automatically on the Maturity Date and redemption shall be effected in accordance with the Product Conditions.
- (b) The Securities shall either entitle the holder to bonus payments pursuant to section 5 (6) or shall bear interest pursuant to section 5 (1) to (5), as specified in each case in conjunction with the Product Conditions. They shall not carry any further entitlement to dividend payments or other distributions.
- (c) For this security type, the Product Conditions set out under section 8.2.78.2.7 shall apply. The latter also include the rules for determining Redemption at Maturity, among other things.

(8) (Best Entry) (Memory) (Protect (Pro)) Express Certificates/Notes

- (a) Subject to Early Redemption pursuant to section 4, subject to sections 6 and 7 and – if applicable in accordance with the Product Conditions – subject to section 14, the Securities shall be redeemed automatically on the Maturity Date and redemption shall be effected in accordance with the Product Conditions.
- (b) The Securities shall not bear interest (i.e. section 5 (1) to (5) are not applicable) and shall not entitle the holder to dividend payments or – with the exception of any bonus payments pursuant to section 5 (6) in conjunction with the Product Conditions – other distributions.
- (c) For this security type, the Product Conditions set out under section 8.2.8 shall apply. The latter also include the rules for determining Redemption at Maturity, among other things.

(9) (Best Entry) (Protect (Pro)) Multi Fix Coupon Express Certificates/Notes

- (a) Subject to Early Redemption pursuant to section 4, subject to sections 6 and 7 and – if applicable in accordance with the Product Conditions – subject to section 14, the Securities shall be redeemed automatically on the Maturity Date and redemption shall be effected in accordance with the Product Conditions.
- (b) The Securities shall either entitle the holder to bonus payments pursuant to section 5 (6) or shall bear interest pursuant to section 5 (1) to (5), as specified in each case in conjunction with the Product Conditions. They shall not carry any further entitlement to dividend payments or other distributions.
- (c) For this security type, the Product Conditions set out under section 8.2.9 shall apply. The latter also include the rules for determining Redemption at Maturity, among other things.

(10) (Best Entry) (Memory) (Protect (Pro)) Multi Express Certificates/Notes

- (a) Subject to Early Redemption pursuant to section 4, subject to sections 6 and 7 and – if applicable in accordance with the Product Conditions – subject to section 14, the Securities shall be redeemed automatically on the Maturity Date and redemption shall be effected in accordance with the Product Conditions.
- (b) The Securities shall not bear interest (i.e. section 5 (1) to (5) are not applicable) and shall not entitle the holder to dividend payments or – with the exception of any bonus payments pursuant to section 5 (6) in conjunction with the Product Conditions – other distributions.
- (c) For this security type, the Product Conditions set out under section 8.2.10 shall apply. The latter also include the rules for determining Redemption at Maturity, among other things.

(11) (Best Entry) (Chance) (Lock-in) (Floored) (Floater) (Barrier) Reverse Convertibles

- (a) Subject to sections 6 and 7 and – if applicable in accordance with the Product Terms and Conditions – subject to section 14, the Securities shall be redeemed automatically on the Maturity Date and redemption shall be effected in accordance with the Product Terms and Conditions.
- (b) The Securities shall bear interest in accordance with section 5 (1) to (5) in conjunction with the Product Terms and Conditions. They do not grant any further rights to dividend payments or – apart from possible bonus payments pursuant to section 5 (6) in conjunction with the Product Terms and Conditions – other distributions.
- (c) For this security type, the Product Terms and Conditions set out under section 8.2.11 shall apply. The latter also include the rules for determining Redemption at Maturity, among other things.

(12) (Best Entry) (Chance) (Lock-in) (Floored) (Floater) (Barrier) Multi Reverse Convertibles

- (a) Subject to sections 6 and 7 and – if applicable in accordance with the Product Terms and Conditions – subject to section 14, the Securities shall be redeemed automatically on the Maturity Date and redemption shall be effected in accordance with the Product Terms and Conditions.

- (b) The Securities shall bear interest in accordance with section 5 (1) to (5) in conjunction with the Product Terms and Conditions. They do not grant any further rights to dividend payments or – apart from possible bonus payments pursuant to section 5 (6) in conjunction with the Product Terms and Conditions – other distributions.
- (c) For this security type, the Product Terms and Conditions set out under section 8.2.12 shall apply. The latter also include the rules for determining Redemption at Maturity, among other things.

Section 4 Early Redemption

*If the Product Conditions include the possibility of **Early Redemption** in accordance with the provisions of this section 4, the following shall apply:*

(1) If a Redemption Event defined in the Product Conditions occurs on a Valuation Date, the Term of the Securities shall end automatically on that Valuation Date without the need for a separate termination of the Securities by the Issuer, and the Securities shall be redeemed early by payment of the Early Redemption Amount specified in the Product Conditions ("**Early Redemption**"). Where applicable, an Interest Amount or Bonus Amount in accordance with section 5 shall also be paid.

(2) The Early Redemption Amount payable in the event of Early Redemption shall be paid, subject to section 10 (5), on the following Payment Date or – if a Payment Date is not specified for each Valuation Date in the Product Conditions – within five (5) Business Days following that Valuation Date (the "**Early Redemption Date**"). No further payments shall be made in respect of the Security following an Early Redemption.

Section 5 Interest, Bonus Payments

(1) Interest Accrual Period, Interest Rate and Interest Period:

*If the Product Conditions specify **Interest Type – Fixed Interest**, the following provisions shall apply:*

- (a) The Securities shall bear interest from the Interest Commencement Date specified in the Product Conditions (inclusive) at the Interest Rate specified in the Product Conditions based on the nominal amount for each Security and each Interest Period (as defined below) using the Interest Calculation Method (as defined in paragraph (5) in connection with the relevant Product Conditions). The interest accrual period of the Securities shall end – subject to the following paragraph (3) – upon the expiry of the day preceding the Maturity Date.
- (b) The period between the Interest Commencement Date (inclusive) and the first Interest Payment Date (exclusive) and, where applicable, the respective period between the first Interest Payment Date or the subsequent Interest Payment Dates (inclusive) and the respective next Interest Payment Dates (exclusive) shall be referred to in each case as an "**Interest Period**".

*If the Product Conditions specify **Interest Type – Variable Interest**, the following provisions shall apply:*

- (a) The Securities shall bear interest from the Interest Commencement Date specified in the Product Conditions (inclusive) at the Variable Interest Rate (as defined below) based on the nominal amount for each Security and each Interest Period (as defined below) using the Interest Calculation Method (as defined in paragraph (5) in connection with the relevant Product Conditions). The interest accrual period of the Securities shall end – subject to the following paragraph (3) – upon the expiry of the day preceding the Maturity Date.
- (b) The period between the Interest Commencement Date (inclusive) and the first Interest Payment Date (exclusive) and, where applicable, the respective period between the first Interest Payment Date or the subsequent Interest Payment Dates (inclusive) and the respective next Interest Payment Dates (exclusive) shall be referred to in each case as an "**Interest Period**".
- (c) The interest rate applicable for an Interest Period (the "**Variable Interest Rate**") shall correspond to the Reference Interest Rate (as defined below) determined for the respective Interest Period on the relevant Interest Determination Date (as defined in the Product Conditions), with the addition or subtraction, where applicable, of any premium or discount ("**Spread**") specified in the Product Conditions or multiplied, where applicable, by any multiplication factor specified in the Product Conditions (the "**Multiplication Factor**").

If a minimum interest rate ("**Floor**") is specified in the Product Conditions and the Variable Interest Rate determined for an Interest Period is lower than the Floor, the Variable Interest Rate for that Interest Period shall be equal to the Floor. If no Floor is stipulated in the Product Conditions, the Variable Interest Rate for that Interest Period shall amount to least 0% p.a.

If a maximum interest rate ("**Cap**") is specified in the Product Conditions and the Variable Interest Rate determined for an Interest Period is higher than the Cap, the Variable Interest Rate for that Interest Period shall be equal to the Cap.

The Variable Interest Rate for the respective Interest Period shall be announced pursuant to section 12 once it has been determined.

The "**Reference Interest Rate**" shall be the interbank rate or swap rate specified in the Product Conditions as displayed on the screen page specified in the Product Conditions or a successor page (the "**Screen Page**") on the respective Interest Determination Date at the determination time stipulated in the Product Conditions.

If the Screen Page is not available at the specified time or if the Reference Interest Rate is not displayed, the Calculation Agent shall determine the Reference Interest Rate using a different financial information service. If the Reference Interest Rate referred to above is no longer displayed in one of the ways referred to above, the Calculation Agent shall be entitled to specify an interest rate determined on the basis of currently prevailing market practice as the Reference Interest Rate. In this event, the Calculation Agent shall be entitled, but not obliged, to ask reference banks to provide their respective quotations for an interest rate corresponding to the Reference Interest Rate at the time specified on the relevant Interest Determination Date. If at least two of the reference banks have submitted a corresponding quotation to the Calculation Agent, the Reference Interest Rate can be determined using the arithmetic mean calculated by the Calculation Agent (rounded, where relevant, to the nearest thousandth of a percentage point) of the quotations provided to it by those reference banks. If the Reference Interest Rate cannot be determined in the aforementioned manner, the Reference Interest Rate shall be calculated on the basis of the Reference Interest Rate displayed on the Screen Page on the immediately preceding Business Day.

If the Reference Interest Rate has a negative value, it shall be offset against the Spread, so that it reduces the Spread.

(2) Payment of Interest:

Interest shall be payable in each case in arrears on the Interest Payment Date(s) specified in the Product Conditions ((respectively) the "**Interest Payment Date**"). The interest amount payable (the "**Interest Amount**") for each Interest Payment Date shall be rounded in accordance with section 10. If an Interest Payment Date is not a Business Day, the Interest Payment Date shall be postponed in accordance with the rules set out in section 5 (4).

(3) Early end of the Interest Accrual Period in the case of certain events:

- (a) In the event of Extraordinary Termination pursuant to section 6 (3), interest shall cease to accrue on the Securities upon the expiry of the day immediately preceding the day on which the Termination Amount is paid.
- (b) If the possibility of Early Redemption pursuant to section 4 is applicable in accordance with the Product Conditions, the following shall apply:

In the event of Early Redemption, interest shall cease to accrue on the Securities upon the expiry of the day preceding the Payment Date on which Early Redemption takes place. In this case, interest shall accrue on the nominal amount of the Securities up to that Payment Date (exclusive) at the Interest Rate applicable for the respective Interest Period.

Notwithstanding the foregoing, the Product Conditions may provide that the Interest Amount for the whole of the current Interest Period shall be paid early on that Payment Date.

- (c) If under the Product Conditions the Securities are secured by collateral pursuant to section 14 (Securities with Collateralisation), the following shall apply:

If a Liquidation Event pursuant to section 14 occurs, interest shall cease to accrue on the Securities upon the expiry of the day immediately preceding the day on which the Securities become due pursuant to section 14 (9).

(4) Business Day Convention:

If an Interest Payment Date is not a Business Day, the following rules shall apply to the extent that they are specified as applicable as the "**Business Day Convention**" in the Product Conditions.

<u>following:</u>	If an Interest Payment Date is not a Business Day, the Interest Payment Date shall be the next following Business Day.
<u>modified following:</u>	If an Interest Payment Date is not a Business Day, the Interest Payment Date shall be the next following Business Day, unless the Interest Payment Date would fall into the next calendar month as a result; in this event, the Interest Payment Date shall be the immediately preceding Business Day.
<u>unadjusted:</u>	The Interest Amount due on the relevant Interest Payment Date and, where applicable, the following Interest Amount shall not be adjusted accordingly if an Interest Payment Date is postponed. This postponement of an Interest Payment Date shall not give rise to any claim to additional interest and other payments.
<u>adjusted:</u>	The Interest Amount due on the relevant Interest Payment Date and, where applicable, the following Interest Amount shall be adjusted accordingly if an Interest Payment Date is postponed.

(5) Interest Calculation Method:

If the Securities bear interest, the Interest Calculation Method shall be specified in the Product Conditions. The terms employed shall have the following meanings for this purpose:

- 30/360: Interest shall be calculated on the basis of a year with 360 days and with 12 months of 30 days each.
- act/360: Interest shall be calculated on the basis of a year with 360 days. Each month shall be included in the calculation with the actual number of days.
- act/365: Interest shall be calculated on the basis of a year with 365 days. Each month shall be included in the calculation with the actual number of days.
- act/act: Interest shall be calculated on the basis of the days elapsed in an Interest Period and the actual number of days in a year (365 or 366) in accordance with the detailed provisions of ICMA Rule 251 (actual/actual).

(6) Bonus Payments:

*If the Product Conditions specify **Bonus Payment Type – Conditional Bonus Payment**, the following provisions shall apply:*

(a) If on one of the Observation Dates specified in the Product Conditions a Bonus Event defined in the Product Conditions occurs, the Issuer shall pay on the, subject to section 10 (5), following Bonus Payment Date defined in the Product Conditions the Bonus Amount allocated to that Observation Date in respect of each Security.

(b) If the Product Conditions specify Memory – Applicable, the possibility exists that bonus payments which are not made may be paid subsequently ("**Memory**") in accordance with the provisions of this paragraph (6)(b):

If

- (i) on an Observation Date after the first Observation Date the conditions for payment of the respective Bonus Amount pursuant to paragraph (6)(a) of this section 5 are met, and
- (ii) on at least one of the preceding Observation Dates the conditions for payment of the respective Bonus Amount pursuant to paragraph (6)(a) of this section 5 were not met, and
- (iii) the Bonus Amount not paid has not already been paid retrospectively in accordance with this paragraph (6)(b),

the Bonus Amount or – in the event of more than one Bonus Amount not paid – the relevant Bonus Amounts shall be paid retrospectively on the next Bonus Payment Date. No interest will be payable with respect to any retrospective payments of Bonus Amounts for the period since the date on which they could originally have been paid.

(c) The Security Holder shall be entitled to receive a potential Bonus Amount in accordance with paragraph (6)(b) of this section 5 on the respective Bonus Payment Date only if the Security Holder acquired the Securities before the respective Ex-Date. If the Securities are purchased on or after the relevant Ex-Date, the Security Holder is not entitled to receive a Bonus Amount on that Bonus Payment Date. "**Ex-Date**" generally means the Business Day following the Observation Date on which the Bonus Event relevant for the Bonus Payment occurred. The Ex-Date may differ in individual cases. If this is the case, the Ex-Date will be announced in accordance with section 12.

(d) No (further) bonus payments shall be made in respect of the Securities in the event of Early Redemption for Securities with the possibility of Early Redemption (section 4) or upon the occurrence of a Liquidation Event for Securities with Collateralisation (section 14).

*If the Product Conditions specify **Bonus Payment Type – Unconditional Bonus Payment**, the following provisions shall apply:*

(a) The Issuer shall pay on each, subject to section 10 (5), Bonus Payment Date defined in the Product Conditions the Bonus Amount allocated to that Bonus Payment Date in respect of each Security.

b) The Security Holder shall be entitled to receive a Bonus Amount in accordance with paragraph (6)(b) of this section 5 on the respective Bonus Payment Date only if the Security Holder acquired the Securities before the respective Ex-Date. If the Securities are purchased on or after the relevant Ex-Date, the Security Holder is not entitled to receive a Bonus Amount on that Bonus Payment Date. "**Ex-Date**" generally means the second (2nd) Business Day preceding the respective Bonus Payment Date. The Ex-Date may differ in individual cases. If this is the case, the Ex-Date will be announced in accordance with section 12.

(c) No (further) bonus payments shall be made in respect of the Securities in the event of Early Redemption for Securities with the possibility of Early Redemption (section 4) or upon the occurrence of a Liquidation Event for Securities with Collateralisation (section 14).

Section 6 Adjustments, Extraordinary Termination of the Securities by the Issuer

*Where the Underlying consists of **shares, securities representing shares (ADRs or GDRs) or other dividend-bearing securities**, the following shall apply:*

(1) If, with respect to an Underlying, one of the events described below is announced in advance or occurs (the "**Adjustment Event**"):

- (a) capital increase by way of the issue of new shares or other dividend-bearing securities against contributions in cash or in kind with the grant of a subscription right, capital increase from retained earnings, issue of securities with option or conversion rights into shares, distribution of special dividends, capital reduction, share split, subdivision, consolidation or reclassification of the shares,
- (b) spin-off of a division of the company in such a manner that a new independent company is created or the division is absorbed by a third company,
- (c) probable or definitive cessation of stock exchange trading in the shares as a result of a merger by absorption or new company formation or takeover of the company of the Underlying by another company,
- (d) or another event that, after determination by the Issuer, results in a dilution or concentration of the theoretical value of the relevant share,

the Issuer may adjust the Security Right in accordance with the following provisions.

(2) If an Adjustment Event pursuant to paragraph (1) exists, the Issuer will adjust the Security Right – subject to termination pursuant to paragraph (3) – in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*), provided that the Effective Date for the Adjustment Event is prior to the or prior to a Valuation Date or falls on that date.

If a Derivatives Exchange is specified in the Product Conditions, the Issuer may, in exercising its discretion for the purpose of making the adjustment, base the timing and terms of the adjustment on the manner in which the relevant Derivatives Exchange makes corresponding adjustments for futures or options contracts on the Underlying (share) traded on it, but shall not be obliged to do so. If doubts arise relating to the application of the adjustment rules of the Derivatives Exchange, the Issuer shall decide such questions in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*).

The list presented above is not final. The decisive factor is whether the Derivatives Exchange considers it necessary to adjust the contract size, a contract underlying or the quotation of the relevant Reference Agent for the determination of the price of the shares, or would consider it necessary if futures or options contracts on the Underlying were traded there. If neither futures nor options contracts linked to the shares of the company are traded on the Derivatives Exchange, the adjustment shall be made in the manner in which the Derivatives Exchange would do so if corresponding futures or options contracts were traded there. If doubts arise in this event relating to the application of the adjustment rules of the Derivatives Exchange, the Issuer shall decide such questions in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*). In such cases, the Issuer shall endeavour to ensure – as far as legally and practically possible – that the economic position of the Security Holders is the same before and after the Adjustment Event.

The Issuer shall be entitled where appropriate to depart from the adjustments made by the Derivatives Exchange if it considers such a course of action to be necessary in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) in order to reflect differences between these Securities and the futures or options contracts traded on the Derivatives Exchange. This applies in particular to measures pursuant to paragraph (1) (b) and (c). Irrespective of whether, which and when adjustments are made on the Derivatives Exchange, the Issuer may make adjustments with the aim of ensuring that Security Holders remain as far as possible in the same economic position they were in prior to the measures pursuant to paragraph (1) (b) and (c).

"Effective Date" within the meaning of these Terms and Conditions means the first Exchange Day on which trading in the corresponding futures or options contracts takes place after taking account of the adjustment. If no corresponding futures or options contracts are traded on a derivatives exchange, the Issuer will also, in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*), determine the Effective Date on which the adjusted Product Features shall apply for the first time, taking into account the timing of the change, adjustment or other measure.

Such adjustments may relate, in particular, to the Product Features as well as to the replacement of the share which forms an Underlying for the Security by a basket of shares or, in the case of a merger, by shares of the absorbing or newly formed company in an adjusted amount and, where appropriate, the designation of a different reference agent as the new Reference Agent.

If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (excluding Hedging Disruption Events)**, the following paragraph (3) shall apply:

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer or of the Derivatives Exchange, an appropriate adjustment is not possible for any reason whatsoever (or if the Derivatives Exchange terminates the corresponding futures or options contracts on the Underlying early, or would do so if corresponding futures or options contracts were traded there), the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice in accordance with section 12 specifying the Termination Amount defined in the following. The termination shall become effective at the time notice is given in accordance with section 12 ("**Extraordinary Termination Date**"). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of an extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days after the Termination Date an amount in respect of each Security (the "**Termination Amount**"), which shall represent an appropriate

market price for a Security immediately prior to the Termination Date as determined by the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*), taking into account the remaining time value. For the purpose of determining the Termination Amount for Securities with a finite Term in the event of termination following a merger event in the form of a takeover bid for which the consideration consists wholly or mainly of cash, the Calculation Agent may, in addition to the factors mentioned above, take into account the price of the relevant share immediately after the takeover bid is announced as well as other market parameters prevailing directly prior to the announcement of the takeover bid, and in particular may take into consideration all the rules that a derivatives exchange applies or would normally apply for the purpose of determining the theoretical fair value of the shares, such as expected dividends and implied volatilities.

In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (including Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer or of the Derivatives Exchange, an appropriate adjustment is not possible for any reason whatsoever (or if the Derivatives Exchange terminates the corresponding futures or options contracts on the Underlying early, or would do so if corresponding futures or options contracts were traded there), the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice in accordance with section 12 specifying the Termination Amount defined in the following. If so provided in the Product Conditions, the Issuer may also terminate the Securities extraordinarily in its reasonable discretion (*for Securities subject to German law, section 315 BGB*), if the Issuer and/or one of its affiliates is not in a position, even after making economically reasonable efforts, (i) to conclude, renew, replace, maintain, unwind, acquire or dispose of hedging transactions or (ii) to realise, recover or transfer the proceeds of such hedging transactions (referred to as "**Hedging Disruption Events**"). The termination shall become effective at the time notice is given in accordance with section 12 ("**Extraordinary Termination Date**"). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of an extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days after the Termination Date an amount in respect of each Security (the "**Termination Amount**"), which shall represent an appropriate market price for a Security immediately prior to the Termination Date as determined by the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*), taking into account the remaining time value. For the purpose of determining the Termination Amount for Securities with a finite Term in the event of termination following a merger event in the form of a takeover bid for which the consideration consists wholly or mainly of cash, the Calculation Agent may, in addition to the factors mentioned above, take into account the price of the relevant share immediately after the takeover bid is announced as well as other market parameters prevailing directly prior to the announcement of the takeover bid, and in particular may take into consideration all the rules that a derivatives exchange applies or would normally apply for the purpose of determining the theoretical fair value of the shares, such as expected dividends and implied volatilities.

In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

(4) Adjustments and determinations and the date on which they come into effect shall be notified by the Issuer pursuant to section 12.

(5) The rules and regulations of the Reference Agent and of the Derivatives Exchange shall apply in addition to the provisions set out above.

(6) If the Underlying consists of securities representing shares, the provisions of paragraphs (1) to (5) shall apply analogously to the shares underlying the securities representing shares.

The events described below shall also qualify in each case as possible Adjustment Events:

- (a) modification of the conditions of the securities representing shares by their issuers;
- (b) cessation of the stock exchange quotation of the securities representing shares or of the share underlying them;
- (c) insolvency of the issuer or of the custodian bank of the securities representing shares;
- (d) end of the term of the securities representing shares as a result of termination by the issuer of the securities representing shares;
- (e) or for any other reason that has comparable economic effects.

The Issuer may adjust the Security Right, subject to termination pursuant to paragraph (3), in the manner in which corresponding adjustments are made on the Derivatives Exchange for futures or options contracts on the securities representing shares traded there, provided that the Effective Date for the Adjustment Event is prior to the or prior to a Valuation Date or falls on that date. The same applies in the event that the issuer of the securities representing shares makes adjustments to the securities representing shares on the occurrence of one of the Adjustment Events described above, even if corresponding adjustments are not made on the Derivatives Exchange or would not be made if futures or options contracts on the securities representing shares were traded there. In other respects, the rules contained in this paragraph shall apply analogously.

(7) If the Underlying consists of other dividend-bearing securities (e.g. profit participation rights, participation certificates), the provisions of paragraphs (1) to (5) shall apply analogously to the other dividend-bearing securities and the issuing company.

*If the Underlying consists of **indices**, the following shall apply:*

(1) If, with respect to an Underlying, one of the events described below is announced in advance or occurs (the "**Adjustment Event**"):

- (a) change, adjustment or other measure affecting the relevant concept and the calculation of the Underlying, resulting, in the opinion of the Issuer, in the relevant concept or the relevant calculation of the Underlying no longer being comparable to those applying on the Issue Date. These factors are no longer comparable if, in particular, a change, adjustment or other measure results in a material change in the Underlying despite the fact that the prices of the individual securities included in the Underlying and their weightings remain the same.
- (b) cancellation of the Underlying and/or its replacement by a different index concept,
- (c) or for any other reason that has comparable economic effects,

the Issuer may adjust the Security Right in accordance with the following provisions.

(2) If an Adjustment Event pursuant to paragraph (1) exists, the Issuer will adjust the Security Right – subject to termination pursuant to paragraph (3) – in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) and taking into account the most recent price determined for the Underlying, provided that the Effective Date for the Adjustment Event is prior to the or prior to a Valuation Date or falls on that date, and for this purpose will determine Product Features to be adjusted the economic effect of which will correspond as closely as possible to the previous provisions.

If a Derivatives Exchange is specified in the Product Conditions, the Issuer may, in exercising its discretion for the purpose of making the adjustment, base the timing and terms of the adjustment on the manner in which the relevant Derivatives Exchange makes corresponding adjustments for futures or options contracts on the Underlying (index) traded on it, but shall not be obliged to do so. If doubts arise relating to the application of the adjustment rules of the Derivatives Exchange, the Issuer shall decide such questions in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*). The Issuer shall be entitled where appropriate to depart from the adjustments made by the Derivatives Exchange if it considers such a course of action to be necessary in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) in order to reflect differences between these Securities and the futures or options contracts traded on the Derivatives Exchange.

"**Effective Date**" within the meaning of these Terms and Conditions means the first Exchange Day on which trading in the corresponding futures or options contracts takes place after taking account of the adjustment. If no corresponding futures or options contracts are traded on a derivatives exchange, the Issuer will also, in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*), determine the Effective Date on which the adjusted Product Features shall apply for the first time, taking into account the timing of the change, adjustment or other measure.

If the index is cancelled or replaced by a different index concept, or if it is not possible to continue the licensing agreement between the Reference Agent and the Issuer or the Calculation Agent, the Issuer shall determine, making corresponding adjustments to the Product Features where appropriate, whether the calculation of the Security Right shall be based in future on another index concept and on which other index concept.

If the index is no longer calculated and determined or published by the Reference Agent but by another person, company or institution that the Issuer in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) considers to be suitable (the "**Substitute Reference Agent**"), then the Cash Amount shall be calculated where applicable on the basis of the index calculated and published by the Substitute Reference Agent. All references to the Reference Agent contained in these Terms and Conditions shall be deemed to refer analogously to the Substitute Reference Agent.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (excluding Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer, an appropriate adjustment or the specification of another relevant index concept is not possible for any reason whatsoever (or if the Derivatives Exchange terminates the corresponding futures or options contracts on the Underlying early, or would do so if corresponding futures or options contracts were traded there), the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice in accordance with section 12 specifying the Termination Amount defined in the following. The termination shall become effective at the time notice is given in accordance with section 12 ("**Extraordinary Termination Date**"). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the "**Termination Amount**") determined by the Issuer or the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (including Hedging Disruption Events)**, the following paragraph (3) shall apply:

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer, an appropriate adjustment or the specification of another relevant index concept is not possible for any reason whatsoever (or if the Derivatives Exchange terminates the corresponding futures or options contracts on the Underlying early, or would do so if corresponding futures or options contracts were traded there), the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice in accordance with section 12 specifying the Termination Amount defined in the following. If so provided in the Product Conditions, the Issuer may also terminate the Securities extraordinarily in its reasonable discretion (*for Securities subject to German law, section 315 BGB*), if the Issuer and/or one of its affiliates is not in a position, even after making economically reasonable efforts, (i) to conclude, renew, replace, maintain, unwind, acquire or dispose of hedging transactions or (ii) to realise, recover or transfer the proceeds of such hedging transactions (referred to as "**Hedging Disruption Events**"). The termination shall become effective at the time notice is given in accordance with section 12 ("**Extraordinary Termination Date**"). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the "**Termination Amount**") determined by the Issuer or the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

(4) Adjustments and determinations and the date on which they come into effect shall be notified by the Issuer pursuant to section 12.

(5) The rules and regulations of the Reference Agent and of the Derivatives Exchange shall apply in addition to the provisions set out above.

If the Underlying consists of **bonds**, the following shall apply:

(1) If, with respect to an Underlying, one of the events described below is announced in advance or occurs (the "**Adjustment Event**"):

- (a) termination or repurchase or (early) redemption of the Underlying by its issuer,
- (b) probable or definitive cessation of stock exchange trading in the Underlying or replacement of the Issuer of the Underlying,
- (c) insolvency of the issuer of the Underlying,
- (d) limitation of the tradability of the Underlying,
- (e) negative change in the rating of the Underlying and/or its issuer,
- (f) imposition of taxes on income from the Underlying, or
- (g) for any other reason that has comparable economic effects to those in (a) to (f) above,

the Issuer may adjust the Security Right in accordance with the following provisions.

(2) If an Adjustment Event pursuant to paragraph (1) exists, the Issuer will adjust the Security Right – subject to termination pursuant to paragraph (3) – in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*), provided that the Effective Date for the Adjustment Event is prior to the or prior to a Valuation Date or falls on that date.

If a Derivatives Exchange is specified in the Product Conditions, the Issuer may, in exercising its discretion for the purpose of making the adjustment, base the timing and terms of the adjustment on the manner in which the issuer of the Underlying makes corresponding adjustments to the Underlying or the relevant Derivatives Exchange makes corresponding adjustments for futures or options contracts on the Underlying (bond) traded on it, but shall not be obliged to do so. If doubts arise relating to the application of the adjustment rules of the Derivatives Exchange, the Issuer shall decide such questions in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*). The Issuer shall be entitled where appropriate to depart from the adjustments made by the Derivatives Exchange if it considers such a course of action to be necessary in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) in order to reflect differences between these Securities and the futures or options contracts traded on the Derivatives Exchange.

"**Effective Date**" within the meaning of these Terms and Conditions means the first Exchange Day on which trading in the corresponding futures or options contracts takes place after taking account of the adjustment. If no corresponding futures or options contracts are traded on a derivatives exchange, the Issuer will also, in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*), determine the Effective Date on which the adjusted Product Features shall apply for the first time, taking into account the timing of the change, adjustment or other measure.

Adjustments of this nature may relate in particular to the Product Features as well as, for example, to the replacement of an Underlying (bond) by another Underlying (bond) or basket of bonds and, where applicable, the designation of another reference agent as the new Reference Agent. In such cases, the Issuer shall endeavour to ensure – as far as legally and practically possible – that the economic position of the Security Holders is the same before and after the Adjustment Event.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (excluding Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer or of the Derivatives Exchange, an appropriate adjustment is not possible for any reason whatsoever (or if the Derivatives Exchange terminates the corresponding futures or options contracts on the Underlying early, or would do so if corresponding futures or options contracts were traded there), the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice in accordance with section 12 specifying the Termination Amount defined in the following. The termination shall become effective at the time notice is given in accordance with section 1 ("**Extraordinary Termination Date**"). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the "**Termination Amount**") determined by the Issuer or the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (including Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer or of the Derivatives Exchange, an appropriate adjustment is not possible for any reason whatsoever (or if the Derivatives Exchange terminates the corresponding futures or options contracts on the Underlying early, or would do so if corresponding futures or options contracts were traded there), the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice in accordance with section 12 specifying the Termination Amount defined in the following. If so provided in the Product Conditions, the Issuer may also terminate the Securities extraordinarily in its reasonable discretion (*for Securities subject to German law, section 315 BGB*), if the Issuer and/or one of its affiliates is not in a position, even after making economically reasonable efforts, (i) to conclude, renew, replace, maintain, unwind, acquire or dispose of hedging transactions or (ii) to realise, recover or transfer the proceeds of such hedging transactions (referred to as "**Hedging Disruption Events**"). The termination shall become effective at the time notice is given in accordance with section 1 ("**Extraordinary Termination Date**"). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the "**Termination Amount**") determined by the Issuer or the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

(4) Adjustments and determinations and the date on which they come into effect shall be notified by the Issuer pursuant to section 12.

(5) The rules and regulations of the Reference Agent and of the Derivatives Exchange shall apply in addition to the provisions set out above.

*If the Underlying consists of **commodities**, the following shall apply:*

(1) If, with respect to an Underlying, one of the events described below is announced in advance or occurs (the "**Adjustment Event**"):

- (a) the Underlying is traded by the Reference Agent responsible for the determination of the Reference Price of the Underlying in a different quality, a different composition (e.g. with a different degree of purity or different place of origin) or a different standard unit of measurement,
- (b) in the event of the introduction, cancellation or modification of a tax levied on the Underlying, if this affects the price of the Underlying and if such introduction, cancellation or modification takes place after the Issue Date, or
- (c) other changes relating to the Underlying,

the Issuer may adjust the Security Right in accordance with the following provisions.

(2) If an Adjustment Event pursuant to paragraph (1) exists, the Issuer will adjust the Security Right – subject to termination pursuant to paragraph (3) – in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*), provided that the Effective Date for the Adjustment Event is prior to the or prior to a Valuation Date or falls on that date.

The Issuer may, in exercising its discretion for the purpose of making the adjustment, base the timing and terms of the adjustment on the manner in which the relevant Reference Agent makes corresponding adjustments to the Underlying itself or the Derivatives Exchange makes adjustments for futures or options contracts on the Underlying traded on it, but shall not be obliged to do so. If doubts arise relating to the application of the adjustment rules of the Reference Agent or the Derivatives Exchange, the Issuer shall decide such questions in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*).

"Effective Date" within the meaning of these Terms and Conditions means the first trading day on the Derivatives Exchange on which trading in the corresponding futures or options contracts takes place after taking account of the adjustment. If no corresponding futures or options contracts are traded on a derivatives exchange, the Issuer will also, in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*), determine the Effective Date on which the adjusted Product Features shall apply for the first time, taking into account the timing of the change, adjustment or other measure.

Adjustments of this nature may relate in particular to the Product Features. In such cases, the Issuer shall endeavour to ensure – as far as legally and practically possible – that the economic position of the Security Holders is the same before and after the Adjustment Event.

If the Reference Price for an Underlying is no longer calculated and published by the Reference Agent but by another person, company or institution that the Issuer in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) considers to be suitable (the **"Substitute Reference Agent"**), then the Security Right shall be calculated on the basis of the price for the Underlying calculated and published by the Substitute Reference Agent. Furthermore, all references to the Reference Agent contained in these Terms and Conditions shall then be understood as references to the Substitute Reference Agent as far as the context allows.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (excluding Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer, it is not possible for any reason whatsoever to make an appropriate adjustment, the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice pursuant to section 12 specifying the Termination Amount defined in the following. The termination shall become effective at the time notice is given in accordance with section 12 (**"Extraordinary Termination Date"**). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the **"Termination Amount"**) determined by the Issuer or the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (including Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer, it is not possible for any reason whatsoever to make an appropriate adjustment, the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice pursuant to section 12 specifying the Termination Amount defined in the following. If so provided in the Product Conditions, the Issuer may also terminate the Securities extraordinarily in its reasonable discretion (*for Securities subject to German law, section 315 BGB*), if the Issuer and/or one of its affiliates is not in a position, even after making economically reasonable efforts, (i) to conclude, renew, replace, maintain, unwind, acquire or dispose of hedging transactions or (ii) to realise, recover or transfer the proceeds of such hedging transactions (referred to as **"Hedging Disruption Events"**). The termination shall become effective at the time notice is given in accordance with section 12 (**"Extraordinary Termination Date"**). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the **"Termination Amount"**) determined by the Issuer or the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

(4) Adjustments and determinations and the date on which they come into effect shall be notified by the Issuer pursuant to section 12.

(5) The rules and regulations of the Reference Agent and of the Derivatives Exchange shall apply in addition to the provisions set out above.

*If the Underlying consists of **futures or interest rate futures**, the following shall apply:*

(1) If, with respect to an Underlying, one of the events described below is announced in advance or occurs (the **"Adjustment Event"**):

- (a) adjustment of the Underlying on the Reference Agent,
- (b) cessation of trading in or early settlement of the Underlying on the Reference Agent,
- (c) material change to the concept of the Underlying or to the contract specifications on which the Underlying is based,
- (d) introduction, cancellation or modification of a tax levied on the reference instrument on which the Underlying is based, if this affects the price of the Underlying and if such introduction, cancellation or modification takes place after the Issue Date, or
- (e) other changes relating to the Underlying.

the Issuer may adjust the Security Right in accordance with the following provisions.

(2) If an Adjustment Event pursuant to paragraph (1) exists, the Issuer will adjust the Security Right – subject to termination pursuant to paragraph (3) – in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*), provided that the Effective Date for the Adjustment Event is prior to the or prior to a Valuation Date or falls on that date.

The Issuer may, in exercising its discretion for the purpose of making the adjustment, base the timing and terms of the adjustment on the manner in which the Reference Agent makes corresponding adjustments to the Underlying itself, but shall not be obliged to do so. If doubts arise relating to the application of the adjustment rules of the Reference Agent, the Issuer shall decide such questions in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*).

"Effective Date" within the meaning of these Terms and Conditions means the first trading day on which trading in the corresponding futures contracts takes place on the Reference Agent after taking account of the adjustment.

Adjustments of this nature may relate in particular to the Product Features as well as to the replacement of the Underlying. In such cases, the Issuer shall endeavour to ensure – as far as legally and practically possible – that the economic position of the Security Holders is the same before and after the Adjustment Event and that the continuity of the performance of the reference indicators underlying the Securities is maintained.

If the Reference Price for the respective Underlying is no longer calculated and published on the Reference Agent but by another exchange that the Issuer in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) considers to be suitable (the **"Substitute Reference Agent"**), then the Cash Amount shall be calculated on the basis of the price for the Underlying calculated and published by the Substitute Reference Agent. Furthermore, all references to the Reference Agent contained in these Terms and Conditions shall then be understood as references to the Substitute Reference Agent as far as the context allows.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (excluding Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer or of the Reference Agent, it is not possible for any reason whatsoever to make an appropriate adjustment, the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice pursuant to section 12 specifying the Termination Amount defined in the following. The termination shall become effective at the time notice is given in accordance with section 12 (**"Extraordinary Termination Date"**). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the **"Termination Amount"**) determined by the Issuer or the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (including Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer or of the Reference Agent, it is not possible for any reason whatsoever to make an appropriate adjustment, the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice pursuant to section 12 specifying the Termination Amount defined in the following. If so provided in the Product Conditions, the Issuer may also terminate the Securities extraordinarily in its reasonable discretion (*for Securities subject to German law, section 315 BGB*), if the Issuer and/or one of its affiliates is not in a position, even after making economically reasonable efforts, (i) to conclude, renew, replace, maintain, unwind, acquire or dispose of hedging transactions or (ii) to realise, recover or transfer the proceeds of such hedging transactions (referred to as **"Hedging Disruption Events"**). The termination shall become effective at the time notice is given in accordance with section 12 (**"Extraordinary Termination Date"**). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the **"Termination Amount"**) determined by the Issuer or the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

(4) Adjustments and determinations and the date on which they come into effect shall be notified by the Issuer pursuant to section 12.

(5) The rules and regulations of the Reference Agent shall apply in addition to the provisions set out above.

*If the Underlying consists of **exchange rates**, the following shall apply:*

(1) If, with respect to an Underlying, one of the events described below is announced in advance or occurs (the "**Adjustment Event**"):

- (a) material changes in the method of calculating the Underlying,
- (b) other changes relating to the Underlying,

the Issuer may adjust the Security Right in accordance with the following provisions.

(2) If an Adjustment Event pursuant to paragraph (1) exists, the Issuer will adjust the Security Right – subject to termination pursuant to paragraph (3) – in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*), provided that the Effective Date for the Adjustment Event is prior to the or prior to a Valuation Date or falls on that date.

The Issuer may, in exercising its discretion for the purpose of making the adjustment, base the timing and terms of the adjustment on the manner in which the Reference Agent makes corresponding adjustments to the Underlying itself, but shall not be obliged to do so. If doubts arise relating to the application of the adjustment rules of the Reference Agent, the Issuer shall decide such questions in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*).

"**Effective Date**" within the meaning of the Terms and Conditions means the date on which the relevant adjustment is made by the Reference Agent.

Adjustments of this nature may relate in particular to the Product Features. In such cases, the Issuer shall endeavour to ensure – as far as legally and practically possible – that the economic position of the Security Holders is the same before and after the Adjustment Event.

If the Reference Price for the respective Underlying is no longer calculated and published by the Reference Agent but by another person, company or institution that the Issuer in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) considers to be suitable (the "**Substitute Reference Agent**"), then the Security Right shall be calculated on the basis of the price for the Underlying calculated and published by the Substitute Reference Agent. Furthermore, all references to the Reference Agent contained in these Terms and Conditions shall then be understood as references to the Substitute Reference Agent as far as the context allows.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (excluding Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer or of the Reference Agent, it is not possible for any reason whatsoever to make an appropriate adjustment, the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice pursuant to section 12 specifying the Termination Amount defined in the following. The termination shall become effective at the time notice is given in accordance with section 12 ("**Extraordinary Termination Date**"). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the "**Termination Amount**") determined by the Issuer or the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (including Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer or of the Reference Agent, it is not possible for any reason whatsoever to make an appropriate adjustment, the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice pursuant to section 12 specifying the Termination Amount defined in the following. If so provided in the Product Conditions, the Issuer may also terminate the Securities extraordinarily in its reasonable discretion (*for Securities subject to German law, section 315 BGB*), if the Issuer and/or one of its affiliates is not in a position, even after making economically reasonable efforts, (i) to conclude, renew, replace, maintain, unwind, acquire or dispose of hedging transactions or (ii) to realise, recover or transfer the proceeds of such hedging transactions (referred to as "**Hedging Disruption Events**"). The termination shall become effective at the time notice is given in accordance with section 12 ("**Extraordinary Termination Date**"). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the "**Termination Amount**") determined by the Issuer or the Calculation Agent

in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

(4) Adjustments and determinations and the date on which they come into effect shall be notified by the Issuer pursuant to section 12.

(5) The rules and regulations of the Reference Agent shall apply in addition to the provisions set out above.

*If the Underlying consists of **interest rates**, the following shall apply:*

(1) If, with respect to an Underlying, one of the events described below is announced in advance or occurs (the "**Adjustment Event**"):

- (a) material changes in the method of calculating the Underlying,
- (b) other changes relating to the Underlying,

the Issuer may adjust the Security Right in accordance with the following provisions.

(2) If an Adjustment Event pursuant to paragraph (1) exists, the Issuer will adjust the Security Right – subject to termination pursuant to paragraph (3) – in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*), provided that the Effective Date for the Adjustment Event is prior to the or prior to a Valuation Date or falls on that date.

The Issuer may, in exercising its discretion for the purpose of making the adjustment, base the timing and terms of the adjustment on the manner in which the Reference Agent makes corresponding adjustments to the Underlying, but shall not be obliged to do so. If doubts arise relating to the application of the adjustment rules of the Reference Agent, the Issuer shall decide such questions in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*).

"**Effective Date**" within the meaning of the Terms and Conditions means the date on which the relevant adjustment is made by the Reference Agent.

Adjustments of this nature may relate in particular to the Product Features. In such cases, the Issuer shall endeavour to ensure – as far as legally and practically possible – that the economic position of the Security Holders is the same before and after the Adjustment Event.

If the Reference Price for the respective Underlying is no longer calculated and published by the Reference Agent but by another person, company or institution that the Issuer in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) considers to be suitable (the "**Substitute Reference Agent**"), then the Security Right shall be calculated on the basis of the price for the Underlying calculated and published by the Substitute Reference Agent. Furthermore, all references to the Reference Agent contained in these Terms and Conditions shall then be understood as references to the Substitute Reference Agent as far as the context allows.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (excluding Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer or of the Reference Agent, it is not possible for any reason whatsoever to make an appropriate adjustment, the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice pursuant to section 12 specifying the Termination Amount defined in the following. The termination shall become effective at the time notice is given in accordance with section 12 ("**Extraordinary Termination Date**"). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the "**Termination Amount**") determined by the Issuer or the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (including Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer or of the Reference Agent, it is not possible for any reason whatsoever to make an appropriate adjustment, the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice pursuant to section 12 specifying the Termination Amount defined in the following. If so provided in the Product Conditions, the Issuer may also terminate the Securities extraordinarily in its reasonable discretion (*for Securities subject to German law, section 315 BGB*), if the Issuer and/or one of its affiliates is not in a position, even after making economically reasonable efforts, (i) to conclude, renew, replace, maintain, unwind, acquire or dispose of hedging transactions or (ii) to realise, recover or transfer the proceeds of such hedging transactions (referred to as "**Hedging Disruption Events**"). The termination shall become effective at the time notice is given in accordance with section 12 ("**Extraordinary Termination Date**"). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the "**Termination Amount**") determined by the Issuer or the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

(4) Adjustments and determinations and the date on which they come into effect shall be notified by the Issuer pursuant to section 12.

(5) The rules and regulations of the Reference Agent shall apply in addition to the provisions set out above.

*If the Underlying consists of **investment units**, the following shall apply:*

(1) If, with respect to an Underlying, one of the events described below is announced in advance or occurs (the "**Adjustment Event**"):

- (a) the merger, transfer, consolidation, liquidation or termination of the fund;
- (b) restrictions on the issue or redemption of investment units by the fund;
- (c) change in the currency in which the investment units are calculated;
- (d) change in the number of investment units in the fund without corresponding cash flows into or out of the fund;
- (e) any other event comparable to the preceding (a) to (d) relating to the fund or to the investment units that may either have a similar effect on the value of the fund or the investment units or that is comparable to the events specified under (a) to (d);

the Issuer may adjust the Security Right in accordance with the following provisions.

(2) If an Adjustment Event pursuant to paragraph (1) exists, the Issuer will adjust the Security Right – subject to termination pursuant to paragraph (3) – in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*), provided that the Effective Date for the Adjustment Event is prior to the or prior to a Valuation Date or falls on that date, and provided that in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer this is necessary and appropriate in order to ensure that the economic position of the Security Holders is the same as it was immediately prior to the Adjustment Event.

The Issuer may, in exercising its discretion for the purpose of making the adjustment, base the timing and terms of the adjustment on the manner in which the Reference Agent or the fund company makes corresponding adjustments to the Underlying itself, but shall not be obliged to do so. If doubts arise relating to the application of the adjustment rules of the Reference Agent, the Issuer shall decide such questions in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*).

"**Effective Date**" within the meaning of the Terms and Conditions means the date on which the relevant adjustment by the Reference Agent or the fund company becomes effective.

An adjustment of this nature may relate in particular to the Product Features. In such cases, the Issuer shall endeavour to ensure – as far as legally and practically possible – that the economic position of the Security Holders is the same before and after the Adjustment Event.

If the Reference Price for the respective Underlying is no longer calculated and published by the Reference Agent but by another person, company or institution that the Issuer in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) considers to be suitable (the "**Substitute Reference Agent**"), then the Security Right shall be calculated on the basis of the price for the Underlying calculated and published by the Substitute Reference Agent. Furthermore, all references to the Reference Agent contained in these Terms and Conditions shall then be understood as references to the Substitute Reference Agent as far as the context allows.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (excluding Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer, it is not possible for any reason whatsoever to make an appropriate adjustment and/or if the Issuer determines that, as a result of the adjustment, it or its collateral provider is not able to enter into the hedging transactions necessary to cover its payment obligation arising from the issue of the Securities or is able to do so only under disproportionately more onerous conditions of an economic or practical nature, or if an Extraordinary Fund Event pursuant to paragraph (4) exists, the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice pursuant to section 12 specifying the Termination Amount defined in the following. The termination shall become effective at the time notice is given in accordance with section 12 ("**Extraordinary Termination Date**"). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the "**Termination Amount**") determined by the Issuer or the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (including Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer, it is not possible for any reason whatsoever to make an appropriate adjustment and/or if the Issuer determines that, as a result of the adjustment, it or its collateral provider is not able to enter into the hedging transactions necessary to cover its payment obligation arising from the issue of the Securities or is able to do so only under disproportionately more onerous conditions of an economic or practical nature, or if an Extraordinary Fund Event pursuant to paragraph (4) exists, the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice pursuant to section 12 specifying the Termination Amount defined in the following. If so provided in the Product Conditions, the Issuer may also terminate the Securities extraordinarily in its reasonable discretion (*for Securities subject to German law, section 315 BGB*), if the Issuer and/or one of its affiliates is not in a position, even after making economically reasonable efforts, (i) to conclude, renew, replace, maintain, unwind, acquire or dispose of hedging transactions or (ii) to realise, recover or transfer the proceeds of such hedging transactions (referred to as "**Hedging Disruption Events**"). The termination shall become effective at the time notice is given in accordance with section 12 ("**Extraordinary Termination Date**"). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the "**Termination Amount**") determined by the Issuer or the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

(4) An "**Extraordinary Fund Event**" within the meaning of these Terms and Conditions means the occurrence of one of the events listed below:

- (a) the investigation of, or regulatory measures with respect to the activities of, the relevant Reference Agent or fund company by the competent regulatory authority relating to the existence of unauthorised actions or the breach of a statutory, regulatory requirement or rule;
- (b) the merger, transfer, consolidation, liquidation or termination of the fund company;
- (c) revocation of the authorisation or sales authorisation of the fund company or for the fund;
- (d) the mandatory redemption of investment units by the fund;
- (e) a change in the tax laws applying to the fund or a change in the fund's tax status pursuant to section 5 of the German Investment Tax Act (*Investmentsteuergesetz*);
- (f) an event which is likely to make it impossible to determine the price of the Underlying during the Term of the Securities.

(5) Adjustments and determinations and the date on which they come into effect shall be notified by the Issuer pursuant to section 12.

(6) The rules and regulations of the Reference Agent and/or of the fund company shall apply in addition to the provisions set out above.

*If the Underlying consists of **virtual currencies**, the following shall apply:*

(1) If, with respect to an Underlying, one of the events described below is announced in advance or occurs (the "**Adjustment Event**"):

- (a) material changes in the method of calculating the Underlying,
- (b) adjustment of the Underlying on one of the Reference Agents,
- (c) cessation of trading in or early settlement of the Underlying on one of the Reference Agents,
- (d) material change in the concept of the Underlying or in the technical specifications on which the Underlying is based,
- (e) introduction, cancellation or modification of a tax, fee, duty or other costs which are levied on the Underlying or in connection with the reference instrument on which the Underlying is based, if this affects the price of the Underlying and if such introduction, cancellation or modification takes place after the Issue Date, or
- (f) other changes relating to the Underlying,

the Issuer may adjust the Security Right in accordance with the following provisions.

(2) If an Adjustment Event pursuant to paragraph (1) exists, the Issuer will adjust the Security Right – subject to termination pursuant to paragraph (3) – in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*), provided that the Effective Date for the Adjustment Event is prior to the or prior to a Valuation Date or falls on that date.

The Issuer may, in exercising its discretion for the purpose of making the adjustment, base the timing and terms of the adjustment on the manner in which one of the Reference Agents makes corresponding adjustments to the Underlying itself, but shall not be obliged to do so. If doubts arise relating to the application of the adjustment rules of the Reference Agent, the Issuer shall decide such questions in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*).

"Effective Date" within the meaning of these Terms and Conditions means the first trading day on which trading in the corresponding virtual currency takes place on one of the Reference Agents after taking account of the adjustment.

Adjustments of this nature may relate in particular to the Product Features as well as to the replacement of the Underlying. In such cases, the Issuer shall endeavour to ensure – as far as legally and practically possible – that the economic position of the Security Holders is the same before and after the Adjustment Event and that the continuity of the performance of the reference indicators underlying the Securities is maintained.

If the Reference Price for the respective Underlying is no longer calculated and published on one of the Reference Agents but by another Suitable Trading Platform (as defined below) that the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) considers to be suitable (the **"Substitute Reference Agent"**), then the Cash Amount shall be calculated on the basis of the price for the Underlying calculated and published by the Substitute Reference Agent. Furthermore, all references to a Reference Agent contained in these Terms and Conditions shall then be understood as references to the Substitute Reference Agent as far as the context allows.

"Suitable Trading Platforms" are trading platforms which are not affiliated companies of the Issuer or of the Calculation Agent and which are designated by the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*). Suitable Trading Platforms must satisfy the following criteria:

- (a) the trading platform must publish on a continuous and regular basis (i) a bid-offer spread for an immediate sale (offer) and an immediate purchase (bid) and (ii) the most recent price paid for the Underlying, in each case in the Currency of the Underlying;
- (b) the activities relating to trading and/or the publication of the prices on the trading platform have not been prohibited or declared illegal by an authority that is legally responsible for that trading platform;
- (c) the trading platform must have at least five (5) percent of the total volume relating to the respective virtual currency during the past thirty (30) Exchange Days; and
- (d) exchanges (payments in or out) of national currencies into virtual currencies, and vice versa, must be executed within a period of two (2) to seven (7) Business Days.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (excluding Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer or of the Reference Agent, it is not possible for any reason whatsoever to make an appropriate adjustment, the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice pursuant to section 12 specifying the Termination Amount defined in the following. The termination shall become effective at the time notice is given in accordance with section 12 (**"Extraordinary Termination Date"**). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the **"Termination Amount"**) determined by the Issuer or the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

*If the Product Conditions include **Extraordinary Right of Termination of the Issuer – Applicable (including Hedging Disruption Events)**, the following paragraph (3) shall apply:*

(3) If, in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer or of the Reference Agent, it is not possible for any reason whatsoever to make an appropriate adjustment, the Issuer shall be entitled, but not obliged, to terminate the Securities extraordinarily by giving notice pursuant to section 12 specifying the Termination Amount defined in the following. If so provided in the Product Conditions, the Issuer may also terminate the Securities extraordinarily in its reasonable discretion (*for Securities subject to German law, section 315 BGB*), if the Issuer and/or one of its affiliates is not in a position, even after making economically reasonable efforts, (i) to conclude, renew, replace, maintain, unwind, acquire or dispose of hedging transactions or (ii) to realise, recover or transfer the proceeds of such hedging transactions (referred to as **"Hedging Disruption Events"**). The termination shall become effective at the time notice is given in accordance with section 12 (**"Extraordinary Termination Date"**). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of extraordinary termination, the Issuer shall pay to each Security Holder within five Business Days following the Termination Date an amount for each Security (the "**Termination Amount**") determined by the Issuer or the Calculation Agent in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Termination Amount.

(4) Adjustments and determinations and the date on which they come into effect shall be notified by the Issuer pursuant to section 12.

(5) The rules and regulations of the Reference Agents shall apply in addition to the provisions set out above, if available and if applicable in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer.

Section 7 Market Disruption Event

(1) If, at the time of determination of the Reference Price of an Underlying on the Valuation Date or on a Valuation Date or on an Observation Date, or during a period of one hour beforehand, a Market Disruption Event, as defined in paragraph (6), occurs or exists or the Reference Price of the Underlying is not determined, the next following Exchange Day on which the Market Disruption Event has ceased to exist or on which the Reference Price of the Underlying is determined again shall be deemed to be the Valuation Date or Observation Date for the relevant Underlying. The Maturity Date shall be postponed accordingly. The Issuer shall endeavour to give notice without undue delay in accordance with section 12 that a Market Disruption Event has occurred. There shall be no obligation to give notice, however.

(2) If the Valuation Date or a Valuation Date or Observation Date has been postponed for five consecutive Exchange Days, the fifth Exchange Day shall be deemed to be the Valuation Date or Observation Date. In this event, the Issuer in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) shall designate as the Reference Price an applicable value of the Underlying that reflects in its judgment the prevailing market conditions on the Valuation Date.

(3) The rules and regulations of the Reference Agent and of the Derivatives Exchange shall apply in addition to the provisions set out above.

(4) If there is a Market Disruption Event pursuant to paragraph (6) during an Observation Period specified in the Product Conditions, the determination whether an Observation Price provided for in the Product Conditions has triggered a Barrier Event defined in the Product Conditions shall be suspended for the duration of that Market Disruption Event in the reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) of the Issuer; the Issuer shall endeavour to give notice of such suspension without delay in accordance with section 12. There shall be no obligation to give notice, however.

For the duration of the Market Disruption Event, the Issuer shall be entitled, but not obliged, in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) and taking into account the prevailing market conditions, to designate another price as a substitute price for the observation of the price of an Underlying required in accordance with this paragraph

(4) in conjunction with the Product Conditions instead of the Observation Price of the Underlying specified in the Product Conditions, or – after consultation with an expert where appropriate – in its reasonable discretion (*for Securities subject to German law, sections 315, 317 BGB*) to calculate a substitute price for the Underlying itself.

(5) If the end of the Observation Period corresponds to the Valuation Date or to a Valuation Date, and if that Valuation Date is postponed pursuant to paragraphs (1) and (2), the end of the Observation Period shall be postponed accordingly.

*If the Underlying consists of **shares, securities representing shares (ADRs or GDRs) or other dividend-bearing securities**, the following paragraph (6) shall apply:*

(6) "**Market Disruption Event**" means the temporary suspension or material restriction of trading

- (a) on the Reference Agent generally;
- (b) in the Underlying on the Reference Agent; or
- (c) in futures or options contracts linked to the Underlying on the Derivatives Exchange, if such contracts are traded there.

A reduction in the trading period or number of trading days does not constitute a Market Disruption Event if it is the result of a previously announced change to the normal business hours of the Reference Agent or of the relevant Derivatives Exchange. A restriction on trading imposed by the Reference Agent or by the relevant Derivatives Exchange during a trading day for the purpose of preventing price movements that would exceed particular prescribed limits constitutes a Market Disruption Event if that restriction remains in place until the end of the trading period on the day in question. The cases described in section 6 that give rise to an Adjustment Event do not fall under the foregoing definition.

*If the Underlying consists of **indices**, the following paragraph (6) shall apply:*

(6) "**Market Disruption Event**" means the temporary suspension or material restriction of trading

- (a) in an individual index constituent or several index constituents or in options or other futures contracts linked to individual or several index constituents of the Underlying;
- (b) relating to the Underlying; or
- (c) in options or other futures contracts linked to the Underlying or the index constituents on the Derivatives Exchange.

A reduction in the trading period or number of trading days does not constitute a Market Disruption Event if it is the result of a previously announced change to the normal business hours of the Reference Agent or of the relevant Derivatives Exchange. A restriction on trading imposed by the Reference Agent or by the relevant Derivatives Exchange during a trading day for the purpose of preventing price movements that would exceed particular prescribed limits constitutes a Market Disruption Event if that restriction remains in place until the end of the trading period on the day in question. The cases described in section 6 (1) that give rise to an Adjustment Event do not fall under the foregoing definition.

*If the Underlying consists of **bonds**, the following paragraph (6) shall apply:*

(6) "**Market Disruption Event**" means the temporary suspension or material restriction of trading

- (a) generally on the trading platforms on which the Underlying is traded;
- (b) in the Underlying or in the reference indicator on which the Underlying is based or in the shares of the issuer of the Underlying on the relevant exchange;
- (c) in futures or options contracts linked to any reference indicator on which the Underlying is based or to the shares of the issuer of the Underlying on the Derivatives Exchange.

A reduction in the trading period or number of trading days does not constitute a Market Disruption Event if it is the result of a previously announced change to the normal business hours of the Reference Agent or of the relevant Derivatives Exchange. A restriction on trading imposed by the Reference Agent or by the relevant Derivatives Exchange during a trading day for the purpose of preventing price movements that would exceed particular prescribed limits constitutes a Market Disruption Event if that restriction remains in place until the end of the trading period on the day in question. The cases described in section 6 (1) that give rise to an Adjustment Event do not fall under the foregoing definition.

*If the Underlying consists of **commodities**, the following paragraph (6) shall apply:*

(6) "**Market Disruption Event**" means the temporary suspension or material restriction of trading

- (a) in the Underlying on the interbank market for the Underlying; or
- (b) in futures or options contracts linked to the Underlying on the Derivatives Exchange.

A reduction in the trading period or number of trading days does not constitute a Market Disruption Event if it is the result of a previously announced change to the timing of the Reference Agent's normal fixing practices. A restriction on trading imposed by the Derivatives Exchange for the purpose of preventing price movements that would exceed particular prescribed limits constitutes a Market Disruption Event if that restriction remains in place until the end of the trading period on the day in question. The cases described in section 6 (1) that give rise to an Adjustment Event do not fall under the foregoing definition.

*If the Underlying consists of **futures or interest rate futures**, the following paragraph (6) shall apply:*

(6) "**Market Disruption Event**" means the temporary suspension or material restriction of trading

- (a) on the Reference Agent; or
- (b) relating to the Underlying on the Reference Agent.

A reduction in the trading period or number of trading days does not constitute a Market Disruption Event if it is the result of a previously announced change to the normal business hours of the Reference Agent. A restriction on trading imposed by the Reference Agent during a trading day for the purpose of preventing price movements that would exceed particular prescribed limits constitutes a Market Disruption Event if that restriction remains in place until the end of the trading period on the day in question. The cases described in section 6 (1) that give rise to an Adjustment Event do not fall under the foregoing definition.

*If the Underlying consists of **exchange rates** the following paragraph (6) shall apply:*

(6) A "**Market Disruption Event**" exists in the event of a suspension or material restriction of foreign exchange trading in at least one of the currencies of the exchange rates of the Underlying, a restriction on the convertibility of the relevant currencies or if it is impossible in economic terms to obtain a rate of exchange.

The cases described in section 6 (1) that give rise to an Adjustment Event do not fall under the foregoing definition.

*If the Underlying consists of **interest rates** the following paragraph (6) shall apply:*

(6) A "**Market Disruption Event**" exists if, for any reason whatsoever, it is not possible to determine the Underlying.

The cases described in section 6 (1) that give rise to an Adjustment Event do not fall under the foregoing definition.

*If the Underlying consists of **investment units** the following paragraph (6) shall apply:*

(6) A "**Market Disruption Event**" exists if the value of the Underlying is not determined by the Reference Agent on an Exchange Day.

The cases described in section 6 (1) and (4) do not fall under the foregoing definition.

*If the Underlying consists of **virtual currencies**, the following paragraph (6) shall apply:*

(6) "**Market Disruption Event**" means the temporary suspension or material restriction of trading in at least one of the currencies of the exchange rates of the Underlying, a restriction on the convertibility of the relevant currencies or that it is impossible in economic terms to obtain a rate of exchange.

A reduction in the trading period or number of trading days does not constitute a Market Disruption Event if it is the result of a previously announced change to the normal business hours of one of the Reference Agents. A restriction on trading imposed by the respective Reference Agent during a trading day for the purpose of preventing price movements that would exceed particular prescribed limits constitutes a Market Disruption Event if that restriction remains in place until the end of the trading period on the day in question. The cases described in section 6 (1) and (4) that give rise to an Adjustment Event do not fall under the foregoing definition.

Section 8 Form, Governing Law, Collective Custody, Transferability

*If the Product Conditions stipulate **Registry Type – German Global Certificates**, the following provisions shall apply:*

(1) The *Securities* and the rights and duties of the *Security Holder*, the *Issuer*, the *Paying Agents* and the *Calculation Agent* shall in all respects be governed by the laws of Germany.

(2) The *Securities* will be evidenced by a global certificate (*Sammelurkunde*) in accordance with section 9a of the German Securities Custody Act (*Depotgesetz*) (the "**Global Certificate**"). The *Global Certificate* will be deposited with Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Germany (the "**Central Securities Depository**") and will be kept in custody by the *Central Securities Depository* until all obligations of the *Issuer* under the *Securities* have been fulfilled. No definitive securities will be issued. Bearers are entitled to co-ownership interests, economical ownership rights or comparable rights in the *Global Certificates*, which are transferable in accordance with the rules of the *Central Securities Depository* and the laws of Germany.

(3) "**Clearing System**" is each of Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Germany and SIX SIS AG, Baslerstrasse 100, 4600 Olten, Switzerland.

(4) In the clearing and settlement systems (*Effektengiroverkehr*), the *Securities* are transferable in a number equal to the Minimum Trading Lot or an integer multiple thereof.

(5) "**Security Holder**" means any holder of a co-ownership interest or right, an economic ownership right or a comparable right in the *Global Certificate*.

*If the Product Conditions stipulate **Registry Type – Danish Uncertificated Securities**, the following provisions shall apply:*

(1) The *Securities* and the rights and duties of the *Security Holder*, the *Issuer*, the *Paying Agents* and the *Calculation Agent* shall in all respects be governed by the laws of Germany, except as provided for in the following paragraphs (2) to (4) of this section 8. Notwithstanding the foregoing, the Swiss Guarantee shall exclusively be governed by the laws of Switzerland (section 1 (6)).

(2) The *Securities* will be issued in uncertified and dematerialized book-entry form and will only be evidenced by book entries in the system of VP SECURITIES A/S, Weidekampsgade 14, P.O. Box 4040, 2300 Copenhagen S, Denmark (the "**Central Securities Depository**") for registration of securities and settlement of securities transactions (the "**Clearing System**") in accordance with Consolidated Act No. 1530 of 2 December 2015 on Securities Trading etc. (the "**Securities Trading Act**"), as amended from time to time, and Executive Orders issued thereunder including Executive Order No. 819 of 26 June 2013 on the registra-

tion of dematerialized securities in a central securities depository (*Bekendtgørelse om registrering m.v. af fondsaktiver i en værdipapircentral*) (the "**Registration Order**").

(3) Transfers of Securities and other registration measures shall be made in accordance with the Securities Trading Act, the Registration Order and the regulations, rules and operating procedures applicable to and/or issued by the Central Securities Depository from time to time. The Securities will be issued in uncertificated and dematerialized book-entry form and no global bearer securities or definitive securities will be issued in respect thereof. The Securities issued and cleared through the Central Securities Depository are transferable instruments and not subject to any restrictions on their transferability within Denmark. The Issuer is entitled to receive from the Central Securities Depository, at its request, a transcript of the register for the Securities.

(4) "**Security Holder**" means any person that is for the time being shown in the book entry system and register maintained by the Central Securities Depository as the holder of such Securities for all purposes in accordance with the Securities Trading Act and the Registration Order. For nominee registered Securities the authorized custodial nominee account holder shall be considered to be the Security Holder.

*If the Product Conditions stipulate **Registry Type – Dutch Uncertificated Securities**, the following provisions shall apply:*

(1) The Securities and the rights and duties of the Security Holder, the Issuer, the Paying Agents and the Calculation Agent shall in all respects be governed by the laws of Germany, except as provided for in the below paragraphs (2) and (3). Notwithstanding the foregoing, the German Guarantee shall exclusively be governed by the laws of Germany (section 1 (5)).

(2) The Securities will be registered in uncertificated book-entry form with the Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V., Herengracht 459-469, 1017 BS Amsterdam, the Netherlands ("**Euroclear Nederland**" or the "**Central Securities Depository**").

(3) No Securities in definitive form will be issued. The Securities are subject to the Dutch Securities Giro Act (*Wet giraal effectenverkeer*, "**Wge**") (as amended from time to time) and the applicable rules issued by Euroclear. Delivery (*uitlevering*) of Securities will only be possible in the limited circumstances prescribed by the Wge. The Security holders shall receive co-ownership participations in and/or rights with respect to the Global Security which are transferable in accordance with the Wge and the rules and regulations applicable to and/or issued by Euroclear Nederland (the "**Clearing System**").

*If the Product Conditions stipulate **Registry Type – Finnish Registered Securities**, the following provisions shall apply:*

(1) The Securities and the rights and duties of the Security Holder, the Issuer, the Paying Agents and the Calculation Agent shall in all respects be governed by the laws of Germany, except as provided for in the following paragraphs (2) to (5) of this section 8. Notwithstanding the foregoing, the Swiss Guarantee shall exclusively be governed by the laws of Switzerland (section 1 (6)).

(2) The Securities will be in dematerialised form and will only be evidenced by book entries in the system of Euroclear Finland Oy, PL 1110, Urho Kekkosen katu 5C, 00101 Helsinki, Finland ("**Euroclear Finland**" or the "**Central Securities Depository**") for registration of securities and settlement of securities transactions in accordance with the Finnish Act on Book-Entry Accounts (827/1991, as amended and/or re-enacted from time to time) and the Finnish Act on the Book-Entry System and Clearing Operations (348/2017, as amended and/or re-enacted from time to time) to the effect that there will be no certificated securities.

(3) Registration requests relating to the Securities shall be directed to an account holding bank.

(4) Transfers of Securities and other registration measures shall be made in accordance with the Finnish Act on Book-Entry Accounts (827/1991, as amended and/or re-enacted from time to time) and the Finnish Act on the Book-Entry System and Clearing Operations (348/2017, as amended and/or re-enacted from time to time) as well as the regulations, rules and operating procedures applicable to and/or issued by Euroclear Finland (the "**Clearing System**"). Title to Finnish Registered Securities will be transferred only by registration in the book-entry securities system operated by Euroclear Finland (except where the Securities are nominee-registered and are transferred from one sub-account to another sub-account with the same nominee). The Issuer and the Finnish Paying Agent are entitled to receive from Euroclear Finland, at their request, a transcript of the register for the Securities.

(5) "**Security Holder**" means any person that is registered in a book-entry account managed by the account operator as holder of a Security. For nominee registered Securities the authorised custodial nominee account holder shall be considered to be the Security Holder.

*If the Product Conditions stipulate **Registry Type – French Dematerialized Bearer Securities**, the following provisions shall apply:*

(1) The *Securities* and the rights and duties of the *Security Holder*, the *Issuer*, the *Paying Agents* and the *Calculation Agent* shall in all respects be governed by the laws of Germany, except as provided for in following paragraphs (2) to (4) of this section 8. Notwithstanding the foregoing, the German Guarantee shall exclusively be governed by the laws of Germany (section 1 (5)).

(2) The *Securities* will be issued in bearer dematerialized form (*titres au porteur dématérialisés*). Title to the *Securities* will be evidenced in compliance with Articles L.211-3 et seq. of the French *Code Monétaire et Financier* by book entries (*inscription en compte*) in the system of Euroclear France, acting as central securities depository (the "**Central Securities Depository**"). No physical document of title (including *certificats représentatifs* pursuant to Article R. 211-7 of the French *Code Monétaire et Financier*) will be issued in respect of the *Securities*.

Unless such right is expressly excluded in the relevant Final Terms, the Issuer may at any time request from the Central Securities Depository identification information of holders of *Securities* in bearer form (*au porteur*) such as the name or the company name, nationality, date of birth or year of incorporation and mail address or, as the case may be, e-mail address of such holders, in compliance with Article L. 228-2 of the French *Code de commerce*.

(3) Transfers of the *Securities* and other registration measures shall be made in accordance with the laws and regulations and the rules and clearing procedures applicable to and/or issued by Euroclear France (the "**Clearing System**").

(4) "**Security Holder**" means any person holding *Securities* through a financial intermediary entitled to hold securities accounts, directly or indirectly, with the Clearing System on behalf of its customers (the "**Security Account Holder**") or, in the case of a Security Account Holder acting for its own account, such Security Account Holder.

*If the Product Conditions stipulate **Registry Type – Italian Uncertificated Certificates**, the following provisions shall apply:*

(1) The *Securities* and the rights and duties of the *Security Holder*, the *Issuer*, the *Paying Agents* and the *Calculation Agent* shall in all respects be governed by the laws of Germany, except as provided for in following paragraphs (2) to (4) of this section 8. Notwithstanding the foregoing, the German Guarantee shall exclusively be governed by the laws of Germany (section 1 (5)).

(2) The *Securities* will be issued in uncertificated and dematerialised book-entry form pursuant to the "**Italian Financial Services Act**" (*Testo Unico della Finanza*) and the relevant implementing regulations, and are registered in the books of Monte Titoli S.p.A. with registered office in Piazza degli Affari, 6, 20123 Milan, Italy (the "**Central Securities Depository**") in accordance with the Italian Financial Services Act and the relevant implementing rules governing central depositories, settlement services, guarantee systems and related management companies, issued by Bank of Italy and the Italian securities regulator (*Commissione Nazionale per le Società e la Borsa*, "**CONSOB**"). No physical document of title will be issued to represent the *Security*.

(3) "**Clearing System**" is Monte Titoli S.p.A., Piazza degli Affari 6, 20123 Milan, Italy.

(4) In the clearing and settlement systems, the *Securities* are transferable in a number equal to the Minimum Trading Lot or an integer multiple thereof.

(5) The transfer of the *Securities* operates by way of registration on the relevant accounts opened with the Clearing System by any intermediary adhering, directly or indirectly, to the Clearing System (the "**Security Account Holders**"). As a consequence, the subject who from time to time is the owner of the account held with a Security Account Holder will be considered as the legitimate owner of the *Securities* (the "**Security Holder**") and will be authorized to exercise all rights related to them.

*If the Product Conditions stipulate **Registry Type – Norwegian Registered Securities**, the following provisions shall apply:*

(1) The *Securities* and the rights and duties of the *Security Holder*, the *Issuer*, the *Paying Agents* and the *Calculation Agent* shall in all respects be governed by the laws of Germany, except as provided for in paragraphs (2) to (4) of this section 8. Notwithstanding the foregoing, the Swiss Guarantee shall exclusively be governed by the laws of Switzerland (section 1 (6)).

(2) The *Securities* will be in dematerialized registered form and will only be evidenced by book entries in the system of the Norwegian Central Securities Depository VPS ASA, P.O. Box 4, 0051, Oslo, Norway (the "**Central Securities Depository**") for registration of securities and settlement of securities transactions in accordance with the Norwegian Securities Register Act (*lov om registrering av finansielle instrumenter 2002 5. juli nr. 64*). There will be neither global bearer securities nor definitive securities and no physical securities will be issued in respect of the *Securities*. Securities issued through the Central Securities Depository must comply with the Norwegian Securities Trading Act, and the procedures applicable to and/or issued by the Central Securities Depository from time to time and as amended from time to time.

(3) Transfers of the title to the *Securities* and other registration measures shall be made in accordance with the Norwegian Securities Register Act (*lov om registrering av finansielle instrumenter 2002 5. juli nr. 64*), the regulations, rules and operating

procedures applicable to and/or issued by the Norwegian Central Securities Depository VPS ASA, P.O. Box 4, 0051, Oslo, Norway (the "**Clearing System**") (the "**Norwegian CSD Rules**").

(4) "**Security Holder**" means any person that is registered on an account of the Clearing System as holder of a Security or, where applicable, any other person acknowledged as the holder pursuant to the Norwegian CSD Rules. For nominee registered security the authorised nominee shall be considered to be the Security Holder. The Issuer shall be entitled to obtain information from the Clearing System in accordance with the Norwegian CSD Rules. Except as ordered by a court of competent jurisdiction or as required by law, the Security Holder of any Security 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 an interest in it and no person shall be liable for treating the holder as owner.

*If the Product Conditions stipulate **Registry Type – Swedish Registered Securities**, the following provisions shall apply:*

(1) The *Securities* and the rights and duties of the *Security Holder*, the *Issuer*, the *Paying Agents* and the *Calculation Agent* shall in all respects be governed by the laws of Germany, except as provided for in the following paragraphs (2) to (5) of this section 8. Notwithstanding the foregoing, the Swiss Guarantee shall exclusively be governed by the laws of Switzerland (section 1 (6)).

(2) The *Securities* will be in dematerialised form and will only be evidenced by book entries in the system of Euroclear Sweden AB, registration number 556112-8074, Klarabergsviadukten 63, Box 191, SE-101 23 Stockholm, Kingdom of Sweden ("**Euroclear Sweden**", the "**Clearing System**" or the "**Central Securities Depository**") for registration of securities and settlement of securities transactions in accordance with Chapter 4 of the Swedish Financial Instruments Accounts Act (*lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) (the "**SFIA Act**") to the effect that there will be no certificated securities. *Securities* registered in the *Central Securities Depository* are negotiable instruments and not subject to any restrictions on free negotiability under Swedish law. The registration of *Swedish Registered Securities* in the *Central Securities Depository* will be governed by, and construed in accordance with, Swedish law. The Issuer shall have the right to obtain extracts from the debt register of Euroclear Sweden.

(3) Registration requests relating to the *Securities* shall be directed to an account operator.

(4) Transfers of *Securities* and other registration measures shall be made in accordance with the *SFIA Act*, the regulations, rules and operating procedures applicable to and/or issued by *Euroclear Sweden*. The from time to time applicable Euroclear Sweden Rules for Issuers and Issuer Agents (the "**Euroclear Sweden Rules**") may be downloaded from its website: <http://www.euroclear.eu>. The *Issuer* is entitled to receive from *Euroclear Sweden*, at its request, a transcript of the register for the *Securities*.

(5) "**Security Holder**" means any person that is registered in a book-entry account managed by the account operator as holder of a Security. For nominee registered *Securities* the authorised custodial nominee account holder shall be considered to be the *Security Holder*.

*If the Product Conditions stipulate **Registry Type – Swiss Uncertificated Securities**, the following provisions shall apply:*

(1) The *Securities* and the rights and duties of the *Security Holders*, the *Issuer*, the *Paying Agents*, the *Calculation Agent* and the *Guarantor* shall in all respects be governed by the laws of Switzerland.

(2) The *Securities* represent intermediated securities (the "**Intermediated Securities**") within the meaning of the Swiss Federal Act on Intermediated Securities (*Bundesgesetz über Bucheffekten, "BEG"*). They will be issued initially in unsecuritised form pursuant to article 973 c of the Swiss Civil Code (*Zivilgesetzbuch*) (Code of Obligations) as uncertificated securities (*Wertrechte*) (the "**Uncertificated Securities**").

(3) *Uncertificated Securities* are created by the *Issuer* by an entry in a register of uncertificated securities maintained by the Issuer. These uncertificated securities are then entered into the main register of SIX SIS AG, Baslerstrasse 100, 4600 Olten, Switzerland (the "**Central Securities Depository**"). When the *Uncertificated Securities* are entered in the Central Securities Depository's main register and credited in one or more securities accounts, *Intermediated Securities* are created in accordance with article 6 (1) c) BEG.

(4) *Uncertificated Securities* in the form of intermediated securities may be transferred or disposed of in some other way only in accordance with the provisions of the Swiss Federal Act on Intermediated Securities and the law of the Swiss Confederation, i.e. by crediting the *Intermediated Securities* to a securities account of the purchaser.

(5) Neither the *Issuer* nor the *Security Holders* are entitled at any time to convert the *Uncertificated Securities* into a global note or definitive securities or to demand such conversion or to cause or demand a delivery of a global note or definitive securities.

(6) The records of the *Central Securities Depository* will determine the number of *Intermediated Securities* held through each participant with the *Central Securities Depository*. With respect to *Intermediated Securities*, holders of the *Intermediated Securities* are (i) the persons, other than the *Central Securities Depository* itself, holding the *Intermediated Securities* in a securities

account (*Effektenkonto*) with the *Central Securities Depository* and (ii) the custodians holding the *Intermediated Securities* for their own account. The *Paying Agent* may assume that a bank or financial intermediary submitting or transmitting to it a notice of the *Security Holder* pursuant to these *Terms and Conditions* has been duly authorised by the respective *Security Holder* for these purposes.

(7) "**Clearing System**" is each of Clearstream Banking AG, Mergerthalerallee 61, 65760 Eschborn, Germany and SIX SIS AG, Baslerstrasse 100, 4600 Olten, Switzerland.

(8) In the clearing and settlement systems (*Effektengiroverkehr*), the *Securities* are transferable in a number equal to the Minimum Trading Lot or an integer multiple thereof.

(9) "**Security Holder**" means the person holding the *Securities* in a securities account in its own name and for its own account.

Section 9 Calculation Agent(s), Paying Agent(s)

(1) "**Calculation Agent**" means Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland. The Issuer shall be entitled at any time to replace the Calculation Agent with another bank, to appoint one or more additional Calculation Agents and/or to revoke their appointment. The Calculation Agent acts solely in the capacity of a vicarious agent of the Issuer and shall have no obligations of any kind to the *Security Holders*. The Calculation Agent shall (to the extent permitted) be exempt from the restrictions contained in section 181 BGB (*for Securities subject to German law*) and any restrictions of a similar nature under the applicable laws of other countries. Notice shall be given of all of the measures referred to in sentence 2 pursuant to section 12.

(2) "**Principal Paying Agent**" means Bank Vontobel AG, Zurich, "**German Secondary Paying Agent**" means Bank Vontobel Europe AG, Alter Hof 5, 80331 Munich, Germany, "**Danish Paying Agent**" shall be Handelsbanken, Danish branch of Svenska Handelsbanken AB (publ), Havneholmen 29, DK-1561 Copenhagen V, Denmark, "**Dutch Paying Agent**" shall be Citibank Europe Plc UK Branch, Canary Wharf Group, 25 Canada Square, London E14 5LB, United Kingdom, "**Finnish Paying Agent**" shall be Svenska Handelsbanken AB (publ), SE-106 70 Stockholm, Sweden, "**French Paying Agent**" shall be Citibank Europe Plc UK Branch, Canary Wharf Group, 25 Canada Square, London E14 5LB, United Kingdom and "**Italian Paying Agent**" shall be BNP PARIBAS Securities Services, Milan Branch, Via Ansperto no. 5, 20123 Milan, Italy, "**Nowegian Paying Agent**" shall be Handelsbanken Kapitalforvaltning AS, with registered office at Tjuvholmen allé 11, Postboks 1342 Vika 0113 Oslo, Norway, and "**Swedish Paying Agent**" shall be Svenska Handelsbanken AB (publ), SE-106 70 Stockholm, Sweden, (the Principal Paying Agent, the German Paying Agent, the Danish Paying Agent, the Dutch Paying Agent, the Finnish Paying Agent, the French Paying Agent, the Italian Paying Agent, the Norwegian Paying Agent and the Swedish Paying Agent are also collectively referred to as the "**Paying Agent(s)**").

The Issuer shall be entitled at any time to replace any of the Paying Agents, to appoint one or more additional Paying Agents and/or to revoke their appointment. A Paying Agent acts solely in the capacity of a vicarious agent of the Issuer and shall have no obligations of any kind to the *Security Holder*. A Paying Agent shall (to the extent permitted) be exempt from the restrictions contained in section 181 BGB (*for Securities subject to German law*) and any restrictions of a similar nature under the applicable laws of other countries. Notice shall be given of all of the measures referred to in sentence 2 pursuant to section 12.

Section 10 Settlement

*If the Product Conditions stipulate **Registry Type – German Global Certificates, Swiss Uncertificated Securities, – Norwegian Registered Securities or Italian Uncertificated Certificates**, the following paragraph (1) shall apply:*

(1) The Issuer shall provide the *Central Securities Depository* via the Paying Agent(s) with the respective due payments for all *Securities* issued by it on the Maturity Date or on a Payment Date or on a Bonus Payment Date or on an Interest Payment Date for onward transfer to the respective custodian banks for the purpose of crediting the *Security Holders*. The Issuer shall thereupon be released from all payment obligations.

*If the Product Conditions stipulate **Registry Type – Danish Uncertificated Securities**, the following paragraph (1) shall apply:*

(1) The Issuer shall provide the due payments for all *Securities* issued by it by not later than the Maturity Date by way of making available the due payments to the Danish Paying Agent for onward transfer to the *Central Securities Depository* or pursuant to the *Central Securities Depository's* instruction for credit to the relevant accountholders in accordance with the Danish Securities Trading Act and Executive Order No. 819 of 26 June 2013 on the registration of dematerialised securities in a central securities depository (*Bekendtgørelse om registrering m.v. af fondsaktiver i en værdipapircentral*) as well as the regulations, rules and operating procedures applicable to and/or issued by the *Central Securities Depository*. The transfer to the *Central Securities Depository* or pursuant to the *Central Securities Depository's* instruction shall release the Issuer from its payment obligations under the *Securities* in the amount of such payment. Settlement shall be effected to the *Security Holder* recorded as such on the relevant record date in accordance with the regulations, rules and operating procedures applicable to and/or issued by the *Central Securities Depository*.

*If the Product Conditions stipulate **Registry Type – Dutch Uncertificated Securities**, the following paragraph (1) shall apply:*

(1) The Issuer shall provide the due payments for all Securities issued by it by way of making available the due payments to the Dutch Paying Agent for onward transfer by Euroclear Nederland or pursuant to the instruction by Euroclear Nederland for credit to the relevant accountholders in accordance with the Wge, the regulations, rules and operating procedures applicable to and/or issued by Euroclear Nederland. Payments of principal and/or interest in respect of the Securities shall be made to the Security Holders registered as such on the business day (as defined by the then applicable Euroclear Nederland rules) before the due date for such payment, or such other business day falling closer to the due date as then may be stipulated in the Euroclear Nederland rules and will be made in accordance with the Euroclear Nederland rules. Such day shall be the "**Record Date**" in respect of the Securities in accordance with the Euroclear Nederland rules.

*If the Product Conditions stipulate **Registry Type – Finnish Registered Securities**, the following paragraph (1) shall apply:*

(1) The Issuer shall provide the due payments for all Securities issued by it by not later than the Maturity Date by way of making available the due payments to the Finnish Paying Agent for onward transfer by the Central Securities Depository or pursuant to the Central Securities Depository's instruction for credit to the relevant accountholders in accordance with the Finnish Act on Book-Entry Accounts (827/1991, as amended and/or re-enacted from time to time) and the Finnish Act on the Book-Entry System and Clearing Operations (348/2017, as amended and/or re-enacted from time to time) as well as the regulations, rules and operating procedures applicable to and/or issued by the Central Securities Depository. The transfer by the Central Securities Depository or pursuant to the Central Securities Depository's instruction shall release the Issuer from its payment obligations under the Securities in the amount of such payment. Settlement shall be effected to the Security Holder recorded as such on the relevant Euroclear Finland record date in accordance with the regulations, rules and operating procedures applicable to and/or issued by the Central Securities Depository.

*If the Product Conditions stipulate **Registry Type – French Dematerialized Bearer Securities**, the following paragraph (1) shall apply:*

(1) The Issuer shall provide the due payments for all Securities issued by it by not later than the Maturity Date by way of making available the due payments to French Paying Agent for onward transfer by the Central Securities Depository or pursuant to the Central Securities Depository's instruction for credit to the relevant Securities Holders in compliance with the Clearing System. The transfer by the Central Securities Depository or pursuant to the Central Securities Depository's instruction shall release the Issuer from its payment obligations under the Securities in the amount of such payment.

*If the Product Conditions stipulate **Registry Type – Swedish Registered Securities**, the following paragraph (1) shall apply:*

(1) The Issuer shall provide the due payments for all Securities issued by it by not later than the Maturity Date or on a Payment Date or on a Bonus Payment Date or on an Interest Payment Date by way of making available the due payments to the Swedish Paying Agent for onward transfer by the Central Securities Depository or pursuant to the Central Securities Depository's instruction for credit to the relevant accountholders in accordance with the SFIA Act, the regulations, rules and operating procedures applicable to and/or issued by Euroclear Sweden. The transfer by the Central Securities Depository or pursuant to the Central Securities Depository's instruction shall release the Issuer from its payment obligations under the Securities in the amount of such payment.

The following paragraphs (2) to (8) shall apply to all Securities:

(2) The due payments shall be calculated by the Calculation Agent and are binding for the Security Holders, unless there is an obvious error.

(3) The values resulting from the calculation of the Cash Amounts shall be rounded up or down to two decimal places in accordance with normal commercial practice.

(4) Any conversion of Cash Amounts payable from the Currency of the Underlying into the Settlement Currency shall be carried out in accordance with the Currency Conversion specified in the Product Conditions.

(5) If a due payment is required to be made in accordance with the Terms and Conditions on a day that is not a Business Day, the payment may be postponed until the next following Business Day. The Security Holder shall not be entitled to demand interest or other compensation as a result of such a postponement.

(6) All taxes, national and international transaction taxes, fees or other charges that may be incurred in connection with the due payments shall be borne by the Security Holder. The Issuer and/or the Paying Agent(s) shall be entitled to withhold any taxes, fees or charges payable by the Security Holder from the due payments.

(7) Settlement of the Securities is subject to all laws, regulations, administrative requirements and procedures applying on the respective Observation Date, Valuation Date, Termination Date, Payment Date, Bonus Payment Date or Maturity Date and Interest Payment Date. The Issuer shall not be responsible for the eventuality that, as a result of these requirements and procedures, it is not in a position to meet its obligations in accordance with the preceding paragraphs despite making all reasonable efforts to do so, nor for actions or omissions by settlement agents arising from or in connection with the performance of the obligations arising from these Securities.

(8) Neither the Issuer, the Calculation Agent nor the Paying Agent(s) shall be obliged to verify the entitlement of the Security Holders.

Section 11 Replacement of the Issuer

(1) The Issuer shall be entitled to substitute another obligor in respect of the Securities ("**New Issuer**") in its stead at any time without the consent of the Security Holders provided that

- (a) the New Issuer assumes all obligations of the Issuer arising from or in connection with the Securities pursuant to a contractual agreement with the Issuer,
- (b) the Issuer has provided an unconditional and irrevocable guarantee in favour of the Security Holders of performance of all the obligations to be assumed by the New Issuer and
- (c) the New Issuer has obtained all necessary approvals from the authorities of the country in which it has its registered office.

(2) In the event of such replacement, all references to the Issuer contained in the Terms and Conditions shall be deemed to henceforth refer to the New Issuer.

(3) The replacement shall be notified without undue delay pursuant to section 12.

Section 12 Notices

(1) All notices relating to the Securities shall be published on the website of the Issuer at certificates.vontobel.com (on the relevant product page for the respective Security accessible by entry of the respective ISIN on the website certificates.vontobel.com or generally under the heading <<Notices>>) or on another website which the Issuer will announce at least six (6) weeks in advance in accordance with this section 12. Such notices shall be deemed to have been given on the date on which they are first published.

(2) The Issuer reserves the right, in addition to the publication of a notice pursuant to paragraph (1), to deliver a notice to the relevant Central Securities Depository for communication by the Central Securities Depository to the Security Holder. Even if the notice is communicated by the relevant Central Securities Depository the first publication pursuant to sentence 2 of paragraph (1) remains decisive for the time of effectiveness of the notice.

(3) Notices shall also be published, to the extent required by statute or pursuant to exchange rules, in at least one national newspaper for statutory stock exchange announcements of those stock exchanges on which the Securities are listed.

(4) Unless required by statute or pursuant to exchange rules or unless expressly so provided in these Terms and Conditions, notices shall be given for information purposes only and do not constitute a prerequisite of validity.

Section 13 Increase of Issue, Repurchase of Securities

(1) The Issuer shall be entitled at any time to issue additional Securities with the same features in such a way that they are consolidated with the Securities, form a single issue with them and increase their number. In the case of such an increase of issue, the term "**Securities**" shall also refer to the additional Securities issued.

(2) The companies of the Vontobel Group (these include all consolidated subsidiaries of Vontobel Holding AG, Zurich) shall be entitled at any time during the Term of the Securities to buy or sell the latter in off-market or, where applicable, on-market transactions. These companies are under no obligation to inform the Security Holders of such purchases or sales. Repurchased Securities may be cancelled, held, resold or otherwise disposed of.

Section 14 Securities with Collateralisation (Collateral Secured Instruments, "COSI")

*If the Product Conditions stipulate that the provisions of this section 14 for **Securities with Collateralisation (COSI)** are applicable, the following shall apply:*

(1) **Collateralisation of the Security.** The Security shall be collateralised in accordance with the provisions of an agreement between SIX Swiss Exchange AG, SIX SIS AG, Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland as collateral provider (the "**Collateral Provider**") and Vontobel Financial Products GmbH as Issuer (the "**Framework Agreement**"). The Framework Agreement represents a genuine contract for the benefit of third parties pursuant to article 112 (2) of the Swiss Code of Obligations (*Schweizerisches Obligationenrecht*). The Collateral Provider shall enter into a commitment to collateralise the respective value of the Securities and of the other claims cited in the Framework Agreement.

The collateralisation shall be effected for the benefit of SIX Swiss Exchange by means of a regular right of lien. The collateral shall be booked to an account of SIX Swiss Exchange with SIX SIS. The investors shall have no separate security interest of their own in the collateral. The Securities and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateralisation in response to any changes in value. The permitted collateral shall be selected on an ongoing basis by SIX Swiss Exchange from various categories of collateral. The Issuer shall provide guidance to the investors on request about the respective collateral permitted for the collateralisation of the Securities. The Collateral Provider shall pay SIX Swiss Exchange a fee for its services relating to the collateralisation of the Securities. Notice of any change of Collateral Provider shall be given in accordance with the provisions of section 12.

(2) **Collateralisation method.** The collateral to be provided by the Collateral Provider shall be determined according to the respective value of the Securities (referred to in the following as "**Current Value**"). The Current Values shall be determined in the respective Settlement Currency of the Securities and converted into Swiss francs for the purpose of calculating the collateral required. The method of calculating the Current Value shall be stipulated for each Security in connection with the application for (provisional) admission to trading and shall remain unchanged during the entire Term of the Security. If prices for the Securities calculated by third parties are available ("fair values"), they shall be incorporated in the determination of the Current Value in accordance with the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value shall be based on "bondfloor pricing" in accordance with the guidelines issued by the Swiss Federal Tax Administration (*Eidgenössische Steuerverwaltung*), Bern (Switzerland). For the purposes of bondfloor pricing, the current daily value of the interest-bearing component (bond component) of the respective product shall be determined. If no bondfloor is available for a Security subject to bondfloor pricing, the Current Value shall be at least equal to the amount of capital protection provided by the terms and conditions for the redemption of the product. If the closing bid price of the Security determined on the previous trading day on the SIX Structured Products trading platform (formerly Scoach Switzerland) is higher, the collateral required shall always be based on this price. The Current Value of a Security shall be determined – in accordance with the provisions of the Final Terms – using Method A: Fair Value procedure or Method B: Bond Floor procedure in the Special Conditions of SIX Swiss Exchange, with the addition of corresponding accrued interest, where applicable.

(3) **Liquidation of the collateral.** If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated ("**Liquidation Events**") if

- (i) the Collateral Provider fails to provide the collateral required or fails to do so in due time or free of defects, unless the relevant defect is remedied within three (3) banking days;
- (ii) the Issuer fails to perform a payment or delivery obligation relating to a Structured Product when due under the Terms and Conditions or fails to do so in due time or free of defects, unless the defect is remedied within three (3) business days;
- (iii) the Swiss Financial Market Supervisory Authority (*Eidgenössische Finanzmarktaufsicht*, "FINMA") orders protective measures pursuant to article 26 (1) (f) to (h) of the Swiss Federal Act on Banks and savings Banks (*Bundesgesetz über die Banken und Sparkassen*, "Swiss Banking Act"), restructuring measures or liquidation (bankruptcy) pursuant to article 25 *et seq.* of the Swiss Banking Act with respect to the Issuer or the Collateral Provider;
- (iv) a foreign financial supervisory authority, another competent foreign authority or a competent foreign court orders a measure to be taken which is comparable to the measures described in the preceding number (iii);
- (v) the obligation to make a market in the Securities has been breached for ten (10) consecutive banking days;
- (vi) the Collateral Provider's participation in SIX SIS expires;
- (vii) the provisional admission of Structured Products to trading lapses or is cancelled and the Issuer fails to satisfy investors' claims in accordance with the Terms and Conditions of the products within thirty (30) banking days after the lapse or cancellation of the provisional admission; or
- (viii) the Structured Products are delisted at the request of the Issuer or for another reason and the Issuer fails to satisfy investors' claims in accordance with the Terms and Conditions of the products within thirty (30) banking days after the last trading day. The exact time at which the individual Liquidation Events occur shall be stipulated in the Framework Agreement. The possibility of remedying a Liquidation Event shall be excluded.

(4) **Determination of a Liquidation Event.** SIX Swiss Exchange shall be under no obligation to undertake investigations with regard to the occurrence of a Liquidation Event. For the purposes of determining a Liquidation Event, it shall base its decision exclusively on reliable sources of information. SIX Swiss Exchange shall determine with binding effect for the investors that an event shall be recorded as a Liquidation Event and the time at which a Liquidation Event occurred.

(5) **Procedure in a Liquidation Event.** If a Liquidation Event occurs, SIX Swiss Exchange shall be entitled in its sole discretion (i) to give public notice of the existence of a Liquidation Event immediately or at a later time in a suitable form, in particular to publish the fact in a newspaper with nationwide circulation in Switzerland and on the website of SIX Swiss Exchange (<http://www.six-swiss-exchange.com> under the heading <<News>>); and (ii) irrespective of the amount of the outstanding claims, to privately liquidate all existing collateral immediately or at a later time, provided that the applicable legal provisions or

administrative regulations do not rule out private liquidation (and if private liquidation is not possible, to deliver the collateral for liquidation to the person responsible). Following the occurrence of a Liquidation Event, trading in all of the Issuer's Structured Products may be suspended and the Issuer's Structured Products may be delisted.

(6) Due date of the Securities and claims of the Security Holders against SIX Swiss Exchange and the Issuer. All of the Issuer's products collateralised under the Framework Agreement become due thirty (30) banking days after the occurrence of a Liquidation Event. SIX Swiss Exchange shall give public notice of the due date in a newspaper with nationwide circulation and on the website of SIX Swiss Exchange (<http://www.six-swiss-exchange.com> under the heading <<News>>). Investors' claims vis-à-vis SIX Swiss Exchange for payment of the pro rata net liquidation proceeds shall arise automatically only when the Structured Products become due. The claims of the investors vis-à-vis SIX Swiss Exchange are based on a genuine contract for the benefit of third parties (article 112 (2) of the Swiss Code of Obligations (*Schweizerisches Obligationenrecht*)), which is irrevocable on the part of the Collateral Provider. The purchase of a Structured Product shall automatically entail a declaration within the meaning of article 112 (3) of the Swiss Code of Obligations by all investors to SIX Swiss Exchange that they wish to exercise their right under the Framework Agreement in the event that the Structured Products become due. In dealings with SIX Swiss Exchange and SIX SIS, the investors shall be bound by the provisions of the Framework Agreement, specifically the choice of Swiss law and the exclusive jurisdiction of the Commercial Court (*Handelsgericht*) of the Canton of Zurich (Switzerland).

If a Liquidation Event has occurred, SIX Swiss Exchange shall establish the Current Values of all of the Issuer's Structured Products in the respective Settlement Currency, with binding effect for the Issuer, the Collateral Provider and the investors. These Current Values shall form the basis for the claims of the investors vis-à-vis the Issuer in the event that the Structured Products become due in accordance with the provisions of the Framework Agreement. The relevant values are the Current Values of the Structured Products on the banking day immediately preceding the date of occurrence of the Liquidation Event. SIX Swiss Exchange shall give public notice of the relevant Current Values of the products.

(7) Costs of liquidation and payment in favour of the Security Holders. The costs arising in connection with the liquidation and payment (including taxes and levies as well as advisory fees) shall be covered by the proceeds of the liquidation of the collateral in advance. SIX Swiss Exchange shall deduct a flat rate of 0.1 percent of the total liquidation proceeds for its own activities and those of third parties for this purpose. SIX Swiss Exchange shall also be entitled to satisfy its outstanding claims vis-à-vis the Collateral Provider and the Issuer under the Framework Agreement out of the liquidation proceeds. The remaining net liquidation proceeds will be available for payment to the investors in the Issuer's Structured Products.

SIX Swiss Exchange shall transfer the pro rata net liquidation proceeds attributable to the investors to the participants of SIX SIS, with the effect of discharging its obligation. The transfer shall reflect the holdings of Structured Products booked to the participants' accounts with SIX SIS. If the Issuer affected under the terms of the Framework Agreement by the fact that its Structured Products have become due is a participant of SIX SIS, SIX Swiss Exchange and SIX SIS shall establish a separate process for the payment of the pro rata net liquidation proceeds to those investors holding their Structured Products via the Issuer. SIX Swiss Exchange may transfer the pro rata net liquidation proceeds for these investors, with the effect of discharging its obligation, to one or more other participants of SIX SIS or one or more third parties, which shall directly or indirectly arrange for payment to the investors in Structured Products. At its own discretion, SIX Swiss Exchange may also arrange for the payment of the pro rata net liquidation proceeds to further investors or all investors in Structured Products to be effected by one or more other participants of SIX SIS or one or more third parties.

Payment in favour of the investors shall be made exclusively in Swiss francs. The investors' claim shall not bear interest. If payment is delayed for any reason whatsoever, SIX Swiss Exchange shall not be liable for default interest or damages.

The maximum claim of an investor to satisfaction out of the net liquidation proceeds of the collateral is based on the sum of the Current Values of the investor's Structured Products. If the Current Values of all investors in the Issuer's Structured Products exceed the net liquidation proceeds, payment of the pro rata net liquidation proceeds in favour of the individual investors shall be made in proportion to the total Current Values of the individual investors to the total of the Current Values of all investors in the Issuer's Structured Products.

In the case of products denominated in a Settlement Currency other than Swiss francs, SIX Swiss Exchange shall convert the Current Values into Swiss francs for the purpose of determining the pro rata net liquidation proceeds, with effect for the parties to the Framework Agreement and the investors. The conversion of the Current Values for products denominated in a Settlement Currency other than Swiss francs shall relate only to the extent and the effects of the payment of the pro rata net liquidation proceeds by SIX Swiss Exchange in favour of the investors in such products, but shall not affect the relationship of the investors to the Issuer in other respects. SIX Swiss Exchange shall give public notice of these values of the products and the applicable exchange rates.

The investors' claims vis-à-vis the Issuer arising from the Structured Products shall expire to the extent of the payment of the pro rata net liquidation proceeds. For products denominated in a Settlement Currency other than Swiss francs, the extent to which investors' claims vis-à-vis the Issuer shall expire shall be determined on the basis of the exchange rate of the respective Settlement Currency of the products to the Swiss franc on the banking day immediately preceding the date on which the Liquidation Event occurs.

There shall be no further claims of the investors vis-à-vis SIX Swiss Exchange, SIX SIS or other persons involved in providing services for the collateralisation of products under the Framework Agreement.

Section 15 Presentation Period and Statute of Limitations

*If the Product Conditions stipulate **Registry Type – German Global Certificates**, the following provisions shall apply:*

The presentation period for the Securities (pursuant to section 801 (1) sentence 1 BGB) shall be shortened to ten years, beginning with the date on which the relevant obligation of the Issuer arising from the Securities first becomes due. Claims arising from Securities presented during this presentation period shall become time-barred within two years beginning with the expiry of the presentation period. For claims to interest and bonus payments, the statutory periods for the limitation of claims provided for by sections 195, 199 BGB shall apply.

*If the Product Conditions stipulate **Registry Type – Swiss Uncertificated Securities**, the following provisions shall apply:*

In accordance with applicable law of the Swiss Confederation, claims of all kinds against the Issuer arising in connection with the Securities shall lapse ten years after the relevant payment becomes due. This provision does not apply to claims for interest and bonus payments which shall become time-barred after five years after the relevant interest and bonus payments become due.

*If the Product Conditions stipulate **Registry Type – Danish Uncertificated Securities**, the following provisions shall apply:*

The presentation period for claims of a Security Holder against the Issuer for payment of principal corresponds to ten (10) years from the due date of such payment. The presentation period for claims of a Security Holder against the Issuer for the payment of interest, bonus or other amounts payable corresponds to three (3) years from the due date of such payment.

*If the Product Conditions stipulate **Registry Type – Dutch Uncertificated Securities**, the following provisions shall apply:*

In accordance with applicable Dutch Law, claims of all kinds against the Issuer arising in connection with the Securities shall lapse five (5) years after the relevant payment becomes due.

*If the Product Conditions stipulate **Registry Type – Finnish Registered Securities**, the following provisions shall apply:*

In the case of Finnish Registered Securities, claims against the Issuer for the payment of any such amount payable in respect of the Securities shall become void unless made within three (3) years, in each case after the Relevant Date. For the purposes of this condition, "Relevant Date" means the date on which such payment first becomes due, or such later date on which an interruption of the period of limitation (*Fi. vanhentumisen katkaiseminen*) is made in accordance with the Finnish Limitations Act (728/2003, as amended).

*If the Product Conditions stipulate **Registry Type – French Dematerialized Bearer Securities**, the following provisions shall apply:*

Claims against the Issuer for payment in respect of the Securities shall be prescribed and become void unless made within five years following the date on which such amount fell due.

*If the Product Conditions stipulate **Registry Type – Italian Uncertificated Certificates**, the following provisions shall apply:*

The presentation period for claims of a Security Holders against the Issuer for the payment of principal corresponds to ten (10) years from the due date for such payment. The presentation period for claims of a Security Holder against the Issuer for the payment of interest or bonus corresponds to five (5) years from the due date for such payment.

*If the Product Conditions stipulate **Registry Type – Norwegian Registered Securities**, the following provisions shall apply:*

In accordance with the Norwegian Limitation Act of 1979, claims of Security Holders against the Issuer shall lapse ten years after the due dates of payment of principal. Any interest and bonus payments after such ten years have passed, lapse after three (3) years from the due dates of such later interest and bonus payments.

*If the Product Conditions stipulate **Registry Type – Swedish Registered Securities**, the following provisions shall apply:*

Claims against the Issuer in respect of Swedish Registered Securities will be prescribed unless made within ten (10) years after the due date for payment. If the presentation period in respect of Swedish Registered Securities is interrupted a new presentation period of ten years will commence. Where the presentation period is interrupted through any acknowledgement, claim or reminder a new presentation period shall commence on the date of the interruption or, where the presentation period is interrupted through legal proceedings or the claims for payment is brought before in a court of law, enforcement authority or in arbitration proceedings, bankruptcy proceedings or proceedings for a judicial composition with creditors, a new presentation period shall commence on the date on which a judgment or final decision is rendered or the procedure is otherwise terminated.

Section 16 Miscellaneous

If the Governing Law is stipulated to be German Law pursuant to Section 8 (1) above, the following shall apply:

- (1) The place of performance shall be Frankfurt am Main.
- (2) If the *Guarantor* is stipulated to be *Bank Vontobel Europe AG, Munich (the German Guarantor)* pursuant to the Product Conditions, the following shall apply: The place of jurisdiction for all legal disputes arising from the matters dealt with in these Terms and Conditions for merchants (*Kaufleute*), legal persons under public law, public-sector special corporations and persons without a general place of jurisdiction in Germany shall be, to the extent permitted by statute, Frankfurt am Main.
- (3) If the *Guarantor* is stipulated to be *Vontobel Holding AG, Zurich (the Swiss Guarantor)* pursuant to the Product Conditions, the following shall apply: The place of jurisdiction for all legal disputes arising from the matters dealt with in these Terms and Conditions for merchants (*Kaufleute*), legal persons subject to public law, public-sector special corporations and persons without a general place of jurisdiction in Germany shall be, with the exception of the Swiss Guarantee (section 8), to the extent legally permitted, Frankfurt am Main.
- (4) To the extent that the *Issuer* or the *Calculation Agent* make or omit adjustments in accordance with these Terms and Conditions and take or omit other measures, they shall be liable only if they fail to meet the duty of care of a prudent businessman or in the event of gross negligence.
- (5) The *Issuer* shall be entitled to amend or to add (i) obvious clerical or computational errors or similar manifest mistakes and (ii) contradictory or incomplete provisions in these Terms and Conditions without the consent of the *Security Holder*. In this context, only such changes or additions are permitted in the cases specified under (ii) that, with due consideration for the interests of the *Issuer*, are not disadvantageous to the *Security Holder* i.e. that do not have a material adverse effect on the *Security Holder's* financial position. Amendments or additions to these Terms and Conditions shall be notified without undue delay in accordance with section 12.
- (6) The *Issuer*, the *German Guarantor* as well as Vontobel Holding AG, Gotthardstrasse 44, CH-8002 Zürich, Switzerland, appoint each other as authorised agents for receipt of service (authorised recipients) in Germany and Switzerland, respectively, for all proceedings pending in those jurisdictions in connection with the Securities. Service shall be deemed to have been effected upon receipt by the relevant authorised recipient (irrespective of whether it was forwarded to the *Issuer* and the *German Guarantor* and the latter have received it). The *Issuer* and the *German Guarantor* undertake to appoint a substitute authorised recipient in the event that the relevant authorised recipient is no longer in a position for whatever reason to act as such, or no longer has an address in Germany or Switzerland, respectively. Notice shall be given of such an appointment in accordance with section 12. The foregoing shall not affect the right to effect service in any manner permitted by law.
- (7) The distribution of the Base Prospectus and of the Final Terms including the Terms and Conditions, i.e. the General Conditions and the Product Conditions, and the offering or purchase of the Securities may be subject to legal restrictions in certain jurisdictions. The Securities may be offered or purchased in a given jurisdiction only subject to compliance with the applicable laws of the relevant jurisdiction.
- (8) The English version of these Terms and Conditions shall be binding. Any translation is for convenience only.

If the Governing Law is stipulated to be Swiss Law pursuant to Section 8 (1) above, the following shall apply:

- (1) The *Issuer* and the *Swiss Guarantor* irrevocably submit to the jurisdiction of the Commercial Court (*Handelsgericht*) of the Canton of Zurich for all legal disputes relating to the Securities. The place of jurisdiction is Zurich 1. The right to appeal a decision to the Swiss Federal Supreme Court in Lausanne in accordance with the applicable procedural law is hereby reserved. In this respect the *Issuer* and the *Swiss Guarantor* waive any defence of lack of jurisdiction that proceedings have been brought before an inappropriate court (*forum non conveniens*). This submission to jurisdiction is made for the benefit of each *Security Holder*; it does not limit the right of the *Security Holder* to bring proceedings before any other competent court, nor do proceedings pending in one or more jurisdictions exclude proceedings in another jurisdiction (whether concurrent or not).
- (2) The *Issuer* shall be entitled to amend or supplement all of the Terms and Conditions without the consent of the *Security Holders* (i) for the purpose of correcting an obvious error and (ii) for the purpose of clarifying any matter which is unclear or for making any correction or addition to the Terms and Conditions that the *Issuer* deems necessary or desirable, but only such amendments or additions shall be permitted in the cases referred to under (ii) that do not have a material adverse effect on the financial situation of the *Security Holders*. The *Issuer's* right to amend or supplement all of the Terms and Conditions to the extent required by legislation or by decisions of the courts or of the authorities is hereby reserved. Notice shall be given of amendments or additions to the conditions in accordance with section 12.
- (3) The *Issuer* and the *Swiss Guarantor* appoint each other as authorised agents for receipt of service (authorised recipients) in Germany and Switzerland, respectively, for all proceedings pending in those jurisdictions in connection with the Securities. Service shall be deemed to have been effected upon receipt by the relevant authorised recipient (irrespective of whether it was forwarded to the *Issuer* and the *Swiss Guarantor* and the latter have received it). The *Issuer* and the *Swiss Guarantor* undertake to appoint a substitute authorised recipient in the event that the relevant authorised recipient is no longer in a position for whatever reason to act as such, or no longer has an address in Germany or Switzerland, respectively. Notice shall be given of such

an appointment in accordance with section 12. The foregoing shall not affect the right to effect service in any other manner permitted by law.

(4) The distribution of the Base Prospectus and of the Final Terms including the Terms and Conditions and the offering or purchase of the Securities may be subject to legal restrictions in certain jurisdictions. The Securities may be offered or purchased in a given jurisdiction only subject to compliance with the applicable laws of the relevant jurisdiction.

Section 17 Severability

Should any provision of these Terms and Conditions be or become invalid, incomplete or unenforceable, either in whole or in part, this shall not affect the validity of the remaining provisions. The Parties agree to replace the invalid, incomplete or unenforceable provision and rectify any omission with a provision that reflects the spirit and purpose of these Terms and Conditions and the interests of the Parties.

8.2 Product Conditions

The Product Features presented in the Product Conditions below will be not be specified by the Issuer until shortly prior to the start of the offer and will be added in the Final Terms. Depending on the respective Type of Security to be issued, for the purposes of the individual issue the relevant section from 8.2.1 to 8.2.12 in each case will be incorporated into section I. of the Final Terms, and the empty spaces and placeholders will be filled in and the relevant options selected.

8.2.1 Product Conditions for (Protect (Pro)) (Express) Discount Certificates

[

[insert only in case of multiple series of Securities:

ISIN [/ WKN] [/ Valor] [/ *insert another securities identification number, if any: •*] *[insert another securities identification number, if any: •]* [as set out in Table 1 in the Annex to the Product Conditions]]

Type of Security	[Protect (Pro)] [Express] Discount Certificates [Quanto] [with collateralisation (COSI)]
Settlement Currency	of the Securities shall be [•][shall be as set out in Table 1 in the Annex to the Product Conditions]. [All references to • should be understood as references to <i>[insert details of the Currency: •]</i> .]
Issue Size [(up to)]	[•] <i>[in the case of an increase of issue, insert additionally: , which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on [insert issue date of the Original Securities: •] [(and increased on [list earlier increases of issue, where applicable: •])] and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a total issue size of •.)]</i> [shall be as set out in Table 1 in the Annex to the Product Conditions]
Issue Date	•
[Fixing Date	•]
[for Express: Final] Valuation Date	[•][as set out in Table 1 in the Annex to the Product Conditions] If the [Final] Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] <i>[insert modified provision, where applicable: •]</i> .
<i>[for Express:</i>	
Valuation Date [(n)]	[•][as set out in Table 1 in the Annex to the Product Conditions] [each Exchange Day beginning from the • and ending with the [Final Valuation Date] <i>[insert different date, where applicable: •]</i> (in each case inclusive)]. [If a Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] <i>[insert modified provision, where applicable: •]</i> .]
[Early Redemption Date [(n)]	[•] [the Early Redemption Date (n) allocated to the respective Valuation Date (n), as listed below: <i>[insert table:]</i>]

[insert only in case of Italian Uncertificated Certificates:

Expiry Date (Data di Scadenza)	[shall mean the Valuation Date.] [[•] Business Days following the Valuation Date.] [as set out in Table 1 in the Annex to the Product Conditions] [•]]
Maturity Date	[•][as set out in Table 1 in the Annex to the Product Conditions]
Product Features	means the Underlying, the Cap <i>[for Protect: , the Barrier]</i> <i>[for Express: , [the Redemption Level] [the Redemption Levels]]</i> and the Ratio.
Underlying	<i>[insert description of Underlying: •]</i> [shall be as set out in Table 1 in the Annex to the Product Conditions] <i>[In the case of shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities and indices as the Underlying, insert:</i> [ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in

the Annex to the Product Conditions]]

[[Bloomberg]] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **indices** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one index point corresponds to one unit of the Currency of the Underlying.]]

*[In the case of **bonds** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg]] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **commodities** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg]] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Unit of Measurement:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **futures** or **interest rate futures** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg]] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in

the Annex to the Product Conditions]]

*[In the case of **interest rate futures** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one percentage point in the pricing of the Underlying by the Reference Agent shall correspond to one unit of the Currency of the Underlying.]]

*[In the case of **exchange rates** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg]] [•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Base Currency / Strike Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Page:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[The "Currency of the Underlying" shall correspond to the Strike Currency.]]

*[In the case of **interest rates** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg]] [•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Page:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **investment units** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg]] [•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **virtual currencies** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg]] [•] Symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Base Currency / Strike Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

[All references to ● should be understood as references to *[insert details of the Currency: ●]*.]

*[in the event that for **futures** or **interest rate futures** as the Underlying a Rollover is stipulated, insert additionally:*

Underlying on the Issue Date *[insert description of the contract at the time of issue: ●]*

Bloomberg Symbol: *[insert description of the Bloomberg symbol of the relevant contract at the time of issue: ●]*

Current Underlying

[On each Rollover Date a Rollover procedure shall be carried out whereby the Issuer replaces the respective Current Underlying with another Underlying (future) which, except for the expiry date which is further in the future, has the same or comparable contract specifications.

The "**Current Underlying**" from the Issue Date until the first Rollover Date means the "**Underlying on the Issue Date**", as specified above. On the first Rollover Date this Underlying shall lose its validity and shall be replaced by the Underlying falling due on the Reference Agent in the next following Rollover Month. On each subsequent Rollover Date, the Current Underlying shall be replaced analogously by the underlying contract falling due on the Reference Agent in the next following Rollover Month.] *[insert modified provision relating to the Rollover, where applicable: ●]*

Rollover Date

[shall be determined in each case by the Calculation Agent in its reasonable discretion *[for Securities subject to German law: (sections 315, 317 BGB)]* and shall fall within a period of ten trading days prior to the last trading day of the Current Underlying on the Reference Agent. [In the event that the first notice day of the Current Underlying is before its last trading day, the period for the Rollover Date shall begin ten trading days prior to the first notice day and shall end with the last trading day of the Current Underlying.]] *[insert alternative definition of a Rollover Date: ●]*

Rollover Month[s]

[insert corresponding contract months: ●] [means each contract month defined in relation to the Underlying on the Reference Agent].]

Ratio

[●] [as set out in Table 1 in the Annex to the Product Conditions]

Initial Reference Price

[●] [as set out in Table 1 in the Annex to the Product Conditions]

Cap

[●] [as set out in Table 1 in the Annex to the Product Conditions]

Maximum Amount

[shall be equal to ●] [the Cap *[Ratio expressed as a fraction: divided by the] [Ratio expressed as a decimal number: multiplied by the]* Ratio.]] [shall be as set out in Table 1 in the Annex to the Product Conditions]

[for Express:

Early Redemption

Early Redemption of the Securities is possible, i.e. the provisions of section 4 of the General Conditions are applicable.

Redemption Level [(n)]

[●][as set out in Table 1 in the Annex to the Product Conditions] [means the Redemption Level (n) allocated to the respective Valuation Date (n), as listed below: *[insert table]*.]

Redemption Event

A Redemption Event shall occur if

[the [Reference Price][Observation Price] of the Underlying is [equal to or] higher than the [relevant] Redemption Level [(n)] [at least once] on a Valuation Date [(n)].]

[insert alternative provision for the occurrence of a Redemption Event: ●]

Early Redemption Amount

The Early Redemption Amount shall be equal to the Maximum Amount.]

[for Protect and Protect Pro Discount Certificates:

Barrier	[●] [as set out in Table 1 in the Annex to the Product Conditions]
Barrier Event	A Barrier Event shall occur if [for Protect: the Observation Price of the Underlying is [equal to or] below the Barrier at least once on an Exchange Day within the Observation Period.] [for Protect Pro: the Reference Price of the Underlying is [equal to or] below the Barrier on the [for Express: Final] Valuation Date.] [insert alternative definition of a Barrier Event: ●]]

[for Protect, except for Pro, insert:

Observation Period	The Observation Period [shall be from ● to ● (first day and last day inclusive in each case)] [shall be on ●] [shall correspond to the Term] [shall begin on [●] and end on the Valuation Date (inclusive in each case).] [shall be as set out in Table 1 in the Annex to the Product Conditions (first day and last day inclusive in each case)] [insert alternative Observation Period: ●]]

[for Protect, except for Pro, insert in all cases and for Express insert where applicable:

Observation Price	shall mean [in the case of shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities, indices, futures or interest rate futures as the Underlying, insert: the price of the Underlying determined and published by the Reference Agent.] [in the case of bonds, commodities or interest rates as the Underlying, insert: the price of the Underlying in the interbank market as determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].] [in the case of exchange rates as the Underlying, insert: each price of the Underlying on the international interbank market at the Valuation Time determined by the Calculation Agent during the Observation Period in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of the bid and offer prices on the relevant screen page of the Bloomberg financial information service.] [in the case of investment units as the Underlying, insert: [the price of the Underlying determined and published by the Reference Agent.][the official net asset value for the Underlying, as calculated and published by the Reference Agent and at which it is actually possible to redeem the Underlying.]] [insert alternative definition of the Observation Price for an Underlying: ●] [as set out in Table 1 in the Annex to the Product Conditions] [For the purpose of determining the occurrence of a Barrier Event, each Observation Price of the Underlying during the Observation Period shall be relevant.]]

Redemption Style	[cash settlement] [(physical) delivery]

Redemption at Maturity	The redemption of the Securities on the Maturity Date (section 3 of the General Conditions) shall be determined [for Express: – subject to Early Redemption pursuant to section 4 of the General Conditions [–] [and]]

[Securities with Collateralisation (COSI):

subject to the occurrence of a Liquidation Event pursuant to section 14 of the General Conditions –]

in accordance with the following paragraphs.

[Discount Certificates with cash settlement Redemption Style:

- (a) The investor shall receive payment of the Maximum Amount, if the Reference Price of the Underlying is equal to or higher than the Cap on the [for Express: Final] Valuation Date.
- (b) The Issuer shall pay a cash settlement, if the Reference Price of the Underlying is below the Cap on the [for Express: Final] Valuation Date. The cash settlement for each Security shall be calculated from the Reference Price of the Underlying on the [for Express: Final] Valuation Date [Ratio expressed as a fraction: divided by the] [Ratio expressed as a decimal number: multiplied by the] Ratio.]

[Discount Certificates with (physical) delivery Redemption Style:

- (a) The investor shall receive payment of the Maximum Amount, if the Reference Price of the Underlying is equal to or higher than the Cap on the [for Express: Final] Valuation Date.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if the Reference Price of the Underlying is below the Cap on the [for Express: Final] Valuation Date.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. [only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons [for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below], the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Protect Discount Certificates with cash settlement Redemption Style:

- (a) The investor shall receive payment of the Maximum Amount, if either
 - (i) a Barrier Event has not occurred or
 - (ii) a Barrier Event has occurred, but the Reference Price of the Underlying on the [for Express: Final] Valuation Date is equal to or higher than the Cap.
- (b) The Issuer shall pay a cash settlement, if a Barrier Event has occurred and the Reference Price of the Underlying on the [for Express: Final] Valuation Date is below the Cap. The cash settlement for each Security shall be calculated from the Reference Price of the Underlying on the [for Express: Final] Valuation Date [Ratio expressed as a fraction: divided by the] [Ratio expressed as a decimal number: multiplied by the] Ratio.]

[Protect Discount Certificates with (physical) delivery Redemption Style:

- (a) The investor shall receive payment of the Maximum Amount, if either
 - (i) a Barrier Event has not occurred or
 - (ii) a Barrier Event has occurred, but the Reference Price of the Underlying on the [for Express: Final] Valuation Date is equal to or higher than the Cap.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred and the Reference Price of the Underlying is below the Cap on the [for Express: Final] Valuation Date.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant

fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Protect Pro Discount Certificates with cash settlement Redemption Style:

- (a) The investor shall receive payment of the Maximum Amount, if a Barrier Event has not occurred.
- (b) The Issuer shall pay a cash settlement, if a Barrier Event has occurred. The cash settlement for each Security shall be calculated from the Reference Price of the Underlying on the *[for Express: Final]* Valuation Date *[Ratio expressed as a fraction: divided by the]* *[Ratio expressed as a decimal number: multiplied by the]* Ratio.

[Protect Pro Discount Certificates with (physical) delivery Redemption Style:

- (a) The investor shall receive payment of the Maximum Amount, if a Barrier Event has not occurred.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable *[on the respective Reference Agent]* *[for stock exchange purposes]* on the Maturity Date, if a Barrier Event has occurred.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

Reference Price

The Reference Price shall be the relevant rate, price or level of the Underlying for the purpose of determining and calculating the redemption of the Securities and shall be determined as follows:

Reference Price means

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

[(a) the value of the Underlying determined and published as the closing price on the Reference Agent]

[(a) the price of the Underlying displayed on page *[screen page: ●]* at the Valuation Time and obtainable from there].

[, and (b) in the absence of such price display, the arithmetical mean of the *[bid prices]* *[offer prices]* for the Underlying determined and notified at the request of the Calculation Agent by 5 leading market participants that are not affiliated companies of the Issuer or of the Calculation Agent]

[, and with the addition of interest accrued on the Underlying (if the interest is not included in the

price determined)].]

*[in the case of **commodities** as the Underlying, insert:*

the price of the Underlying determined by the Reference Agent [at the Valuation Time].]

*[in the case of **futures** or **interest rate futures** as the Underlying, insert:*

the settlement price of the Underlying determined and published on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

the exchange rate determined by the Reference Agent at the Valuation Time and then published on the Reference Page. If the Base Currency of the Underlying (as specified above under "Underlying") is not EUR (euros), then the Calculation Agent shall calculate the Reference Price by dividing the respective exchange rate between EUR and the Strike Currency determined by the Reference Agent at the Valuation Time by the exchange rate between EUR and the Base Currency.]

*[in the case of **interest rates** as the Underlying, insert:*

the interest rate [determined by the Reference Agent and] published on the Reference Page [at the Valuation Time].]

*[in the case of **investment units** as the Underlying, insert:*

the value of the Underlying determined and published by the Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

the price of the Underlying determined by the Calculation Agent in its reasonable discretion *[for Securities subject to German law: (sections 315, 317 BGB)]* taking account of the prices set for the Underlying on the Reference Agents during the Valuation Date.]

*[insert modified provision relating to the determination of the Reference Price, where applicable:
•]*

Exchange Day

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

A day on which the Underlying is calculated by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

A day on which [trading in the Underlying takes place on the Reference Agent] [bid and offer prices for the Underlying are set by at least 3 leading market participants].]

*[in the case of **commodities** as the Underlying, insert:*

A day on which the interbank market for the Underlying is open and on which a price for the Underlying is calculated by the Reference Agent.]

*[in the case of **futures** or **interest rate futures** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

*[in the case of **interest rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

*[in the case of **investment units** as the Underlying, insert:*

A day on which the value of the Underlying is normally determined by the respective Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

A day on which the Reference Agents normally determine a price for the Underlying.]

[insert modified definition of Exchange Day, where applicable: ●]

[for physical delivery only, insert:

Deliverable Asset [Underlying][investment units][index certificates][ETPs] [as set out in Table 1 in the Annex to the Product Conditions]

[for the Underlying as the Deliverable Asset, insert:

Number of the Deliverable Asset [shall correspond to the Ratio.]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method for determining the Number of the Deliverable Asset, where applicable: ●]

[for investment units as the Deliverable Asset, insert:

Investment Unit refers to a unit [in][of] [insert description of the Fund including, inter alia, the fund company, the securities identification number(s): ●] [as set out in Table 1 in the Annex to the Product Conditions] (the "Fund").

Number of the Deliverable Asset shall be determined on the Final Valuation Date and shall correspond

[to the quotient of (i) the Reference Price of the Underlying on the Valuation Date [*Ratio expressed as a fraction*: divided by the] [*Ratio expressed as a decimal number*: multiplied by the] Ratio and (ii) the NAV of the Investment Unit on the Valuation Date; expressed as a formula:

$$\text{Number of the Deliverable Asset} = \frac{[M \times RP_{\text{Underlying}}] \left[\frac{RP_{\text{Underlying}}}{M} \right]}{NAV_{\text{Investment Unit}}}, \text{ where:}$$

$RP_{\text{Underlying}}$ = Reference Price of the Underlying on the Valuation Date,

M = Ratio, and

$NAV_{\text{Investment Unit}}$ = NAV of the Investment Unit on the Valuation Date.]

[insert alternative method of calculating the Number of the Deliverable Asset, where applicable: ●]

NAV of the Investment Unit means [the net asset value of the Investment Unit calculated on a Business Day by the custodian bank specified in the Information Document and published on the Fund's website [(specify website, if known: ●)]. If the net asset value is not calculated on the Valuation Date, then the NAV shall be the net asset value of the Investment Unit calculated by the aforementioned agent and published on the next following Business Day.] [insert alternative definition of the NAV, where applicable: ●]

Information Document means the sales prospectus or other prospectus prepared with respect to the Investment Unit or the information memorandum prepared with respect to the Investment Unit, as amended respectively.]

[for index certificates and ETPs as the Deliverable Asset, insert:

[Index Certificates] [ETPs] means the [insert description of the Index Certificates and ETPs including the reference item, ISIN and issuer: ●][as set out in Table 1 in the Annex to the Product Conditions] (the "[Index Certificates] [ETPs]").

Number of the Deliverable Asset [● (corresponding to the Investment Ratio of the [Index Certificates][ETPs] [*Ratio expressed as a fraction*: divided by the] [*Ratio expressed as a decimal number*: multiplied by the] Ratio)]

[shall be determined on the Fixing Date and shall correspond to the quotient of the Nominal Amount and the Strike, with the result in turn divided by the Investment Ratio of the [Index Certificates][ETPs]]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method for determining the Number of the Deliverable Asset, where applicable: •].

Investment Ratio	• (as specified in the Information Document).
Information Document	means the securities prospectus or other prospectus prepared with respect to the [Index Certificates][ETPs] or the information memorandum prepared with respect to the [Index Certificates][ETPs], as amended respectively.]
Fractional Amount	shall correspond to the amount determined by multiplying the fraction of the Number of the Deliverable Asset by <i>[in the event that the Underlying is delivered, insert: the Reference Price of the Underlying on the Valuation Date]</i> <i>[in the event that Investment Units are delivered, insert: the NAV on the Valuation Date]</i> <i>[in the event that Index Certificates or ETPs are delivered, insert: the Reference Price of the Underlying on the Valuation Date [multiplied by the][divided by the] Investment Ratio of the [Index Certificates][ETPs]]</i> <i>[insert alternative method for determining the Fractional Amount, where applicable: •].</i>
Monetary Value	shall correspond <i>[in the event that the Underlying or Index Certificates or ETPs are delivered, insert: to the Reference Price of the Underlying on the Valuation Date [divided by the][multiplied by the] Number of the Deliverable Asset]</i> <i>[in the event that Investment Units are delivered, insert: to the NAV on the Valuation Date multiplied by the Number of the Deliverable Asset]</i> <i>[insert alternative method for determining the Monetary Value, where applicable: •].</i>
Currency Conversion	<i>[if currency hedging (Quanto) is not provided for, insert:</i> All monetary amounts payable under the Securities shall be converted into the Settlement Currency in accordance with the Conversion Rate. "Conversion Rate" means [the relevant conversion rate as determined for the Valuation Date by Bloomberg L.P. at around 2:00 p.m. (local time in Frankfurt am Main) and published on the web page http://www.bloomberg.com/markets/currencies/fx-fixings.] <i>[insert different definition of the Conversion Rate, where applicable: •]</i> <i>[insert additionally, where applicable: If such conversion rate is not determined or published [or if the method of calculation of such conversion rate is materially modified or the normal publication time is changed by more than 30 minutes], the Calculation Agent shall determine the Conversion Rate applicable on the Valuation Date at the time of determination of the Reference Price in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].]</i> <i>[if currency hedging (Quanto) is provided for, insert:</i> All monetary amounts payable under the Securities shall be converted into the Settlement Currency. The conversion shall use a Conversion Rate of 1:1, i.e. one unit of the Currency of the Underlying shall correspond to one unit of the Settlement Currency of the Security ("Quanto Structure").]
Registry Type	[German Global Certificates] [Swiss Uncertified Securities] [Italian Uncertificated Certificates] [Danish Uncertificated Securities] [Dutch Uncertificated Securities]

[Finnish Registered Securities]
 [French Dematerialized Bearer Securities]
 [Norwegian Registered Securities]
 [Swedish Registered Securities]

Guarantor

[Vontobel Holding AG, Zurich (the Swiss Guarantor)]
 [Bank Vontobel Europe AG, Munich (the German Guarantor)]

Applicable Adjustment and
 Market Disruption Provisions

The rules for Adjustments and Market Disruption Events for [shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities] [indices] [bonds] [commodities] [futures or interest rate futures] [exchange rates] [interest rates] [investment units] [virtual currencies] specified in section 6 and section 7 of the General Conditions shall apply to this Security.

Extraordinary Right of
 Termination of the Issuer

Applicable ([excluding][including] Hedging Disruption Events)

Securities with
 Collateralisation

[The Securities **shall not be collateralised**, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall not be applicable.]

[The Securities **shall be collateralised**, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall be applicable.]

Method for determining the Current Value of the Security:

[Method A: Fair Value procedure]

[Method B: Bond Floor procedure]

8.2.2 Product Conditions for (Protect (Pro)) Multi Discount Certificates

[

[insert only in case of multiple series of Securities:

ISIN [/ WKN] [/ Valor] [/ <i>insert another securities identification number, if any: •</i>]	[• [/ •] [/ •] <i>[insert another securities identification number, if any: •]</i>] [as set out in Table 1 in the Annex to the Product Conditions]]

Type of Security	[Protect (Pro)] Multi Discount Certificates [Quanto] [with collateralisation (COSI)]

Settlement Currency	of the Securities shall be [•][shall be as set out in Table 1 in the Annex to the Product Conditions]. [All references to • should be understood as references to <i>[insert details of the Currency: •]</i> .]

Issue Size [up to]	[•] <i>[in the case of an increase of issue, insert additionally: , which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on [insert issue date of the Original Securities: •] [(and increased on [list earlier increases of issue, where applicable: •])]</i> and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a total issue size of •).] [shall be as set out in Table 1 in the Annex to the Product Conditions]

Issue Date	•

[Fixing Date	•]

Valuation Date	[•][as set out in Table 1 in the Annex to the Product Conditions] If the Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] <i>[insert modified provision, where applicable: •]</i> .

[insert only in case of Italian Uncertificated Certificates:

Expiry Date (Data di Scadenza)	[shall mean the Valuation Date.] [[•] Business Days following the Valuation Date.] [as set out in Table 1 in the Annex to the Product Conditions] [•]]

Maturity Date	[•][as set out in Table 1 in the Annex to the Product Conditions]

Product Features	shall be the Underlyings, the Strikes, the Cap <i>[for Protect: , the Barriers]</i> and the Ratios.

Underlyings	<i>[list Underlyings in order: •]</i> [shall be as set out in Table 1 in the Annex to the Product Conditions]

[insert description of Underlying: •] [shall be as set out in Table 1 in the Annex to the Product Conditions]

*[In the case of **shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities and indices** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **indices** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one index point corresponds to one unit of the

Currency of the Underlying.]]

*[In the case of **bonds** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **commodities** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Unit of Measurement:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **futures or interest rate futures** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **interest rate futures** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one percentage point in the pricing of the Underlying by the Reference Agent shall correspond to one unit of the Currency of the Underlying.]]

*[In the case of **exchange rates** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Base Currency / Strike Currency:	[•] [as set out for the respective Underlying in Table

2 in the Annex to the Product Conditions]]

[Reference Agent: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[The "Currency of the Underlying" shall correspond to the Strike Currency.]]

*[In the case of **interest rates** as the Underlying, insert:*

[ISIN Underlying: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][●] symbol: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **investment units** as the Underlying, insert:*

[ISIN Underlying: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][●] symbol: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **virtual currencies** as the Underlying, insert:*

[ISIN Underlying: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][●] Symbol: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Base Currency / Strike Currency: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

[All references to ● should be understood as references to *[insert details of the Currency: ●].*]

				<i>[for Protect and Protect Pro: Barrier]</i>
Underlying	Initial Reference Price	Ratio	Strike	
<i>[description of Underlying: ●]</i>	[●] [as set out in Table 1 in the Annex to the Product	[●] [as set out in Table 1 in the Annex to the Product	[●] [as set out in Table 1 in the Annex to the Product	[[●] [as set out in Table 1 in the Annex to the Product

	Conditions]	Conditions]	Conditions]	Conditions]]
[description of Underlying: ●]	●] [as set out in Table 1 in the Annex to the Product Conditions]	●] [as set out in Table 1 in the Annex to the Product Conditions]	●] [as set out in Table 1 in the Annex to the Product Conditions]	[[●] [as set out in Table 1 in the Annex to the Product Conditions]]
[additional Underlyings, where applicable: ●]	●] [as set out in Table 1 in the Annex to the Product Conditions]	●] [as set out in Table 1 in the Annex to the Product Conditions]	●] [as set out in Table 1 in the Annex to the Product Conditions]	[[●] [as set out in Table 1 in the Annex to the Product Conditions]]
[For Protect and Protect Pro Multi Discount Certificates:				
Barrier Event	A Barrier Event shall occur if [for Protect: the Observation Price of at least one Underlying is [equal to or] below the applicable Barrier for the respective Underlying at least once on an Exchange Day within the Observation Period.] [for Protect Pro: the Reference Price of at least one Underlying is [equal to or] below the applicable Barrier for the respective Underlying on the Valuation Date.] [insert alternative definition of a Barrier Event: ●]]			
Cap	● %] [as set out in Table 1 in the Annex to the Product Conditions]			
Maximum Amount	[shall correspond to ●] [the Cap multiplied by the Nominal Amount.]] [shall be as set out in Table 1 in the Annex to the Product Conditions]			
[For Protect Multi Discount Certificates:				
Observation Period	The Observation Period [shall be from ● to ● (first day and last day inclusive in each case)] [shall be on ●] [shall correspond to the Term] [shall begin on ●] and end on the Valuation Date (inclusive in each case).] [shall be as set out in Table 1 in the Annex to the Product Conditions (first day and last day inclusive in each case)] [insert alternative Observation Period: ●]			
Observation Price	shall mean [in the case of shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities, indices, futures or interest rate futures as the Underlying, insert: the price of the respective Underlying determined and published by the Reference Agent.] [in the case of bonds, commodities or interest rates as the Underlying, insert: the price of the respective Underlying in the interbank market as determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].] [in the case of exchange rates as the Underlying, insert: each price of the respective Underlying on the international interbank market at the Valuation Time determined by the Calculation Agent during the Observation Period in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of the bid and offer prices on the relevant screen page of the Bloomberg financial information service.] [in the case of investment units as the Underlying, insert: [the price of the respective Underlying determined and published by the Reference			

Agent.][the official net asset value for the respective Underlying, as calculated and published by the Reference Agent and at which it is actually possible to redeem the Underlying.]]

[insert alternative definition of the Observation Price for an Underlying: ●]

[as set out in Table 1 in the Annex to the Product Conditions]

[For the purpose of determining the occurrence of a Barrier Event, each Observation Price of an Underlying during the Observation Period shall be relevant.]]

Redemption Style	[cash settlement] [(physical) delivery]
Redemption at Maturity	The redemption of the Securities on the Maturity Date (section 3 of the General Conditions) shall be determined <i>[Securities with Collateralisation (COSI):</i> – subject to the occurrence of a Liquidation Event pursuant to section 14 of the General Conditions –] in accordance with the following paragraphs. <i>[Multi Discount Certificates with cash settlement Redemption Style:</i> (a) The investor shall receive payment of the Maximum Amount, if the Reference Prices of all the Underlyings on the Valuation Date are equal to or higher than the respective Strike. (b) The Issuer shall pay a cash settlement, if the Reference Price of at least one Underlying on the Valuation Date is below the respective Strike. The cash settlement for each Security shall be calculated from the Reference Price of the Underlying with the Relevant Performance multiplied by the respective Ratio.] <i>[Multi Discount Certificates with (physical) delivery Redemption Style:</i> (a) The investor shall receive payment of the Maximum Amount, if the Reference Prices of all Underlyings on the Valuation Date are equal to or higher than the respective Strike. (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if the Reference Price of at least one Underlying is below the respective Strike on the Valuation Date. Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. <i>[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]</i> If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons <i>[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]</i>, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.] <i>[Protect Multi Discount Certificates with cash settlement Redemption Style:</i> (a) The investor shall receive payment of the Maximum Amount, if either (i) a Barrier Event has not occurred or (ii) a Barrier Event has occurred, but the Reference Prices of all the Underlyings on the Valuation Date are equal to or higher than the respective Strike. (b) The Issuer shall pay a cash settlement, if a Barrier Event has occurred and the respective Reference Price of at least one Underlying on the Valuation Date is below the respective Strike. The cash settlement for each Security shall be calculated from the Reference Price of

the Underlying with the Relevant Performance multiplied by the respective Ratio.]

[Protect Multi Discount Certificates with (physical) delivery Redemption Style:

- (a) The investor shall receive payment of the Maximum Amount, if either
 - (i) a Barrier Event has not occurred, or
 - (ii) a Barrier Event has occurred, but the Reference Prices of all Underlyings on the Valuation Date are equal to or higher than the respective Strike.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred and the respective Reference Price of at least one Underlying on the Valuation Date is below the respective Strike.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Protect Pro Multi Discount Certificates with cash settlement Redemption Style:

- (a) The investor shall receive payment of the Maximum Amount, if a Barrier Event has not occurred.
- (b) The Issuer shall pay a cash settlement, if a Barrier Event has occurred.

The cash settlement for each Security shall be calculated from the Reference Price of the Underlying with the Relevant Performance multiplied by the respective Ratio.]

[Protect Pro Multi Discount Certificates with (physical) delivery Redemption Style:

- (a) The investor shall receive payment of the Maximum Amount, if a Barrier Event has not occurred.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

Reference Price

The Reference Price shall be the relevant rate, price or level of the respective Underlying for the purpose of determining and calculating the redemption of the Securities and shall be determined as follows:

Reference Price means

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other***

***dividend-bearing securities** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

[(a) the value of the Underlying determined and published as the closing price on the Reference Agent]

[(a) the price of the Underlying displayed on page [screen page: •] at the Valuation Time and obtainable from there].

[, and (b) in the absence of such price display, the arithmetical mean of the [bid prices] [offer prices] for the Underlying determined and notified at the request of the Calculation Agent by 5 leading market participants that are not affiliated companies of the Issuer or of the Calculation Agent]

[, and with the addition of interest accrued on the Underlying (if the interest is not included in the price determined)].]

*[in the case of **commodities** as the Underlying, insert:*

the price of the Underlying determined by the Reference Agent [at the Valuation Time].]

*[in the case of **futures or interest rate futures** as the Underlying, insert:*

the settlement price of the Underlying determined and published on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

the exchange rate determined by the Reference Agent at the Valuation Time and then published on the Reference Page. If the Base Currency of the Underlying (as specified above under "Underlying") is not EUR (euros), then the Calculation Agent shall calculate the Reference Price by dividing the respective exchange rate between EUR and the Strike Currency determined by the Reference Agent at the Valuation Time by the exchange rate between EUR and the Base Currency.]

*[in the case of **interest rates** as the Underlying, insert:*

the interest rate [determined by the Reference Agent and] published on the Reference Page [at the Valuation Time].]

*[in the case of **investment units** as the Underlying, insert:*

the value of the Underlying determined and published by the Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

the price of the Underlying determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of the prices set for the Underlying on the Reference Agents during the Valuation Date.]

[insert modified provision relating to the determination of the Reference Price, where applicable: •]

Performance

[of the respective Underlying shall correspond to the quotient of (i) the Reference Price of the respective Underlying on the Valuation Date and (ii) the [Strike][Initial Reference Price] of the respective Underlying, expressed as a percentage.] [as set out in Table 1 in the Annex to the Product Conditions]

Relevant Performance

means the Performance of the Underlying showing the [lowest] [highest] [•] Performance in relation to the other Underlyings. If several Underlyings show identical Performance, the Issuer shall be entitled to decide in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] which of the Underlyings concerned shall be used for the purpose of calculating the Relevant Performance within the meaning of these Terms and Conditions.

Exchange Day

[In the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:

A day on which trading in the Underlying takes place on the Reference Agent.]

[In the case of **indices** as the Underlying, insert:

A day on which the Underlying is calculated by the Reference Agent.]

[In the case of **bonds** as the Underlying, insert:

A day on which [trading in the Underlying takes place on the Reference Agent] [bid and offer prices for the Underlying are set by at least 3 leading market participants].]

[In the case of **commodities** as the Underlying, insert:

A day on which the interbank market for the Underlying is open and on which a price for the Underlying is calculated by the Reference Agent.]

[In the case of **futures or interest rate futures** as the Underlying, insert:

A day on which trading in the Underlying takes place on the Reference Agent.]

[In the case of **exchange rates** as the Underlying, insert:

A day on which the Reference Agent normally fixes a price for the Underlying.]

[In the case of **interest rates** as the Underlying, insert:

A day on which the Reference Agent normally fixes a price for the Underlying.]

[In the case of **investment units** as the Underlying, insert:

A day on which the value of the Underlying is normally determined by the respective Reference Agent.]

[In the case of **virtual currencies** as the Underlying, insert:

A day on which the Reference Agents normally determine a price for the Underlying.]

[insert modified definition of Exchange Day, where applicable: ●]

[for physical delivery only, insert:

Deliverable Asset [Underlying with the Relevant Performance] [Investment Units][Index Certificates][ETPs] linked to the Underlying with the Relevant Performance]

[for an Underlying as the Deliverable Asset, insert:

Number of the Deliverable Asset [shall correspond to the Ratio of the Underlying with the Relevant Performance.]
[shall be as set out in Table 1 in the Annex to the Product Conditions.]
[insert alternative method for determining the Number of the Deliverable Asset for the Underlyings, where applicable: ●]

[for investment units as the Deliverable Asset, insert:

Investment Unit means a unit in the fund allocated to the respective Underlying (each a "**Fund**"), as listed below:

[Underlying 1]

[insert description of the Fund including, inter alia, the fund company, the securities identification number(s): ●] [as set out in Table 1 in the Annex to the Product Conditions]

[Underlying 2]

[insert description of the Fund including, inter alia, the fund company, the securities identification number(s): ●] [as set out in Table 1 in the Annex to the Product Conditions]

[list additional Underlying(s), where

[insert description of the Fund including, inter alia, the fund company, the securities identification

	<i>applicable</i>	<i>number(s): ●</i>] [as set out in Table 1 in the Annex to the Product Conditions]						
Number of the Deliverable Asset	shall be determined on the Final Valuation Date and shall correspond [to the quotient of (i) the Reference Price of the Underlying with the Relevant Performance on the Valuation Date multiplied by the Ratio of the Underlying with the Relevant Performance and (ii) the NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Valuation Date; expressed as a formula: $\text{Number of the Deliverable Asset} = \frac{M_{\text{Underlying}} \times RP_{\text{Underlying}}}{NAV_{\text{Investment Unit}}}$, where: $RP_{\text{Underlying}}$ = Reference Price of the Underlying with the Relevant Performance on the Valuation Date $M_{\text{Underlying}}$ = Ratio of the Underlying with the Relevant Performance, and $NAV_{\text{Investment Unit}}$ = NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Valuation Date.] [shall be as set out in Table 1 in the Annex to the Product Conditions.] <i>[insert alternative method of calculating the Number of the Deliverable Asset, where applicable: ●]</i>							
NAV	of the respective Investment Unit means [the net asset value of the Investment Unit calculated on a Business Day by the custodian bank specified in the Information Document and published on the respective Fund's website [<i>(specify website, if known: ●)</i>]. If the net asset value is not calculated on the Valuation Date, then the NAV shall be the net asset value of the Investment Unit calculated by the aforementioned agent and published on the next following Business Day.] <i>[insert alternative definition of the NAV, where applicable: ●]</i>							
Information Document	means the sales prospectus or other prospectus prepared with respect to the respective Investment Unit or the information memorandum prepared with respect to the Investment Unit, as amended respectively.]							
<i>[for index certificates and ETPs as the Deliverable Asset, insert:</i>								
[Index Certificates] [ETPs]	means the [Index Certificates] [ETPs] allocated to the respective Underlying (the "[Index Certificates] [ETPs]"), as listed below: <table><tr><td><i>[Underlying 1]</i></td><td><i>[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: ●][as set out in Table 1 in the Annex to the Product Conditions]</i></td></tr><tr><td><i>[Underlying 2]</i></td><td><i>[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: ●][as set out in Table 1 in the Annex to the Product Conditions]</i></td></tr><tr><td><i>[list additional Underlying(s), where applicable]</i></td><td><i>[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: ●][as set out in Table 1 in the Annex to the Product Conditions]</i></td></tr></table>		<i>[Underlying 1]</i>	<i>[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: ●][as set out in Table 1 in the Annex to the Product Conditions]</i>	<i>[Underlying 2]</i>	<i>[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: ●][as set out in Table 1 in the Annex to the Product Conditions]</i>	<i>[list additional Underlying(s), where applicable]</i>	<i>[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: ●][as set out in Table 1 in the Annex to the Product Conditions]</i>
<i>[Underlying 1]</i>	<i>[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: ●][as set out in Table 1 in the Annex to the Product Conditions]</i>							
<i>[Underlying 2]</i>	<i>[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: ●][as set out in Table 1 in the Annex to the Product Conditions]</i>							
<i>[list additional Underlying(s), where applicable]</i>	<i>[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: ●][as set out in Table 1 in the Annex to the Product Conditions]</i>							
Number of the Deliverable Asset	<i>[Index Certificates or ETPs linked to Underlying 1]</i>	●][shall be as set out in Table 1 in the Annex to the Product Conditions.] [shall be determined on the Fixing Date and shall correspond to the Investment Ratio of the [Index Certificates][ETPs] multiplied by the Ratio of the respective Underlying]						
	<i>[Index Certificates or ETPs linked to Underlying 2]</i>	●][shall be as set out in Table 1 in the Annex to the Product Conditions.] [shall be determined on the						

Fixing Date and shall correspond to the Investment Ratio of the [Index Certificates][ETPs] multiplied by the Ratio of the respective Underlying]

[list Index Certificates or ETPs linked to additional Underlying(s), where applicable]

[•][shall be as set out in Table 1 in the Annex to the Product Conditions.] [shall be determined on the Fixing Date and shall correspond to the Investment Ratio of the [Index Certificates][ETPs] multiplied by the Ratio of the respective Underlying]

[if the Ratio is determined before or at the start of the offer, insert where applicable: The Number of the Deliverable Asset indicated above corresponds to the Investment Ratio of the relevant [Index Certificates][ETPs] multiplied by the Ratio of the respective Underlying.]

[insert alternative method for determining the Number of the Deliverable Asset for the Index Certificates or ETPs linked to the Underlyings, where applicable: •]

Investment Ratio

[Index Certificates or ETPs linked to Underlying 1] •

[Index Certificates or ETPs linked to Underlying 2] •

[list Index Certificates or ETPs linked to additional Underlying(s), where applicable] •]

The Investment Ratios above are as specified in the respective Information Document.

Information Document

means in each case the securities prospectus or other prospectus prepared with respect to the [Index Certificates][ETPs] or the information memorandum prepared with respect to the [Index Certificates][ETPs], as amended respectively.]

Fractional Amount

shall correspond to the amount determined by multiplying the fraction of the Number of the Deliverable Asset by

[in the event that an Underlying is delivered, insert: the Reference Price of the Underlying with the Relevant Performance on the Valuation Date]

[in the event that Investment Units are delivered, insert: the NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Valuation Date]

[in the event that Index Certificates or ETPs are delivered, insert: the Reference Price of the Underlying with the Relevant Performance on the Valuation Date [multiplied by the][divided by the] Investment Ratio of the [Index Certificates][ETPs] linked to it].

Monetary Value

shall correspond

[in the event that an Underlying or Index Certificates or ETPs are delivered, insert: to the Reference Price of the Underlying with the Relevant Performance on the Valuation Date multiplied by the Number of the Deliverable Asset]

[in the event that Investment Units are delivered, insert: to the NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Valuation Date multiplied by the Number of the Deliverable Asset]

[insert alternative method for determining the Monetary Value, where applicable: •].]

Currency Conversion

[if currency hedging (Quanto) is not provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency in accordance with the Conversion Rate.

"Conversion Rate" means

[the relevant conversion rate as determined for the Valuation Date by Bloomberg L.P. at around 2:00 p.m. (local time in Frankfurt am Main) and published on the web page <http://www.bloomberg.com/markets/currencies/fx-fixings>.]

[insert different definition of the Conversion Rate, where applicable: •]

[insert additionally, where applicable: If such conversion rate is not determined or published [or if the method of calculation of such conversion rate is materially modified or the normal publication time is changed by more than 30 minutes], the Calculation Agent shall determine the Conversion Rate applicable on the Valuation Date at the time of determination of the Reference Price in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].]

[if currency hedging (Quanto) is provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency. The conversion shall use a Conversion Rate of 1:1, i.e. one unit of the Currency of the Underlying shall correspond to one unit of the Settlement Currency of the Security ("**Quanto Structure**").]

Registry Type	[German Global Certificates] [Swiss Uncertified Securities] [Italian Uncertificated Certificates] [Danish Uncertificated Securities] [Dutch Uncertificated Securities] [Finnish Registered Securities] [French Dematerialized Bearer Securities] [Norwegian Registered Securities] [Swedish Registered Securities]
Guarantor	[Vontobel Holding AG, Zurich (the Swiss Guarantor)] [Bank Vontobel Europe AG, Munich (the German Guarantor)]
Applicable Adjustment and Market Disruption Provisions	The rules for Adjustments and Market Disruption Events for [shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities] [indices] [bonds] [commodities] [futures or interest rate futures] [exchange rates] [interest rates] [investment units] [virtual currencies] specified in section 6 and section 7 of the General Conditions shall apply to this Security.
Extraordinary Right of Termination of the Issuer	Applicable ([excluding][including] Hedging Disruption Events)
Securities with Collateralisation	[The Securities will not be collateralised, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall not be applicable.] [The Securities shall be collateralised, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall be applicable. Method for determining the Current Value of the Security: [Method A: Fair Value procedure] [Method B: Bond Floor procedure]

8.2.3 Product Conditions for Bonus (Cap) (Pro) Certificates

[

[insert only in case of multiple series of Securities:

ISIN [/ WKN] [/ Valor] [/] <i>[insert another securities identification number, if any: •]</i>	[• [/ •] [/ •] <i>[insert another securities identification number, if any: •]</i> [as set out in Table 1 in the Annex to the Product Conditions]]

Type of Security	Bonus [Cap] [Pro] Certificates [Quanto] [with Airbag] [and] [with Collateralisation (COSI)]
Settlement Currency	of the Securities shall be [•][shall be as set out in Table 1 in the Annex to the Product Conditions]. [All references to • should be understood as references to <i>[insert details of the Currency: •]</i> .]
Issue Size [up to]	[•] <i>[in the case of an increase of issue, insert additionally: which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on [insert issue date of the Original Securities: •] [(and increased on [list earlier increases of issue, where applicable: •])]</i> and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a total issue size of •.) [shall be as set out in Table 1 in the Annex to the Product Conditions]
Issue Date	•
[Fixing Date	•]
Valuation Date	[•][as set out in Table 1 in the Annex to the Product Conditions] If the Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] <i>[insert modified provision, where applicable: •]</i> .

[insert only in case of Italian Uncertificated Certificates:

Expiry Date (Data di Scadenza)	[shall mean the Valuation Date.] [[•] Business Days following the Valuation Date.] [as set out in Table 1 in the Annex to the Product Conditions] [•]]

Maturity Date	[•][as set out in Table 1 in the Annex to the Product Conditions]

Product Features	means the Underlying, the Bonus Level, the Barrier <i>[for Cap: , the Cap]</i> and the Ratio.

Underlying	<i>[insert description of Underlying: •]</i> [shall be as set out in Table 1 in the Annex to the Product Conditions]

*[In the case of **shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities and indices** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **indices** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one index point corresponds to one unit of the Currency of the Underlying.]]

*[In the case of **bonds** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **commodities** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Unit of Measurement:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **futures or interest rate futures** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **interest rate futures** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one percentage point in the pricing of the Underlying by the Reference Agent shall correspond to one unit of the Currency of the Underlying.]]

*[In the case of **exchange rates** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Base Currency / Strike Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[The "Currency of the Underlying" shall correspond to the Strike Currency.]]

[In the case of **interest rates** as the Underlying, insert:

[ISIN Underlying: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][●] symbol: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

[In the case of **investment units** as the Underlying, insert:

[ISIN Underlying: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][●] symbol: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

[In the case of **virtual currencies** as the Underlying, insert:

[ISIN Underlying: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][●] Symbol: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Base Currency / Strike Currency: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

[All references to ● should be understood as references to [insert details of the Currency: ●].]

.....
[in the event that for **futures** or **interest rate futures** as the Underlying a Rollover is stipulated, insert additionally:

.....
Underlying on the Issue Date [insert description of the contract at the time of issue: ●]

Bloomberg Symbol: [insert description of the Bloomberg symbol of the relevant contract at the time of issue: ●]

.....
Current Underlying

[On each Rollover Date a Rollover procedure shall be carried out whereby the Issuer replaces the respective Current Underlying with another Underlying (future) which, except for the expiry date which is further in the future, has the same or comparable contract specifications.

The "**Current Underlying**" from the Issue Date until the first Rollover Date means the

"Underlying on the Issue Date", as specified above. On the first Rollover Date this Underlying shall lose its validity and shall be replaced by the Underlying falling due on the Reference Agent in the next following Rollover Month. On each subsequent Rollover Date, the Current Underlying shall be replaced analogously by the underlying contract falling due on the Reference Agent in the next following Rollover Month.] *[insert modified provision relating to the Rollover, where applicable: •]*

Rollover Date [shall be determined in each case by the Calculation Agent in its reasonable discretion *[for Securities subject to German law: (sections 315, 317 BGB)]* and shall fall within a period of ten trading days prior to the last trading day of the Current Underlying on the Reference Agent. [In the event that the first notice day of the Current Underlying is before its last trading day, the period for the Rollover Date shall begin ten trading days prior to the first notice day and shall end with the last trading day of the Current Underlying.] *[insert alternative definition of a Rollover Date: •]*

Rollover Month[s] *[insert corresponding contract months: •]* [means each contract month defined in relation to the Underlying on the Reference Agent].]

Ratio [•] [as set out in Table 1 in the Annex to the Product Conditions]

[for Airbag, insert additionally:

Airbag Ratio •]

Initial Reference Price [•] [as set out in Table 1 in the Annex to the Product Conditions]

Bonus Level [•] [as set out in Table 1 in the Annex to the Product Conditions]

Bonus Amount [•] [means the Bonus Level *[Ratio expressed as a fraction: divided by the]* *[Ratio expressed as a decimal number: multiplied by the]* Ratio.]

Barrier [•] [as set out in Table 1 in the Annex to the Product Conditions]

Barrier Event A Barrier Event shall occur if
[except for Pro:
 the Observation Price of the Underlying is [equal to or] below the Barrier at least once on an Exchange Day within the Observation Period.]
[for Pro:
 the Reference Price of the Underlying is [equal to or] below the Barrier on the Valuation Date.]
[insert alternative definition of a Barrier Event: •]

[for Bonus (Pro) Cap Certificates:

Cap [•] [as set out in Table 1 in the Annex to the Product Conditions]

Maximum Amount [shall be equal to [•] [the Cap *[Ratio expressed as a fraction: divided by the]* *[Ratio expressed as a decimal number: multiplied by the]* Ratio.]] [shall be as set out in Table 1 in the Annex to the Product Conditions]

[Insert, except for Pro:

Observation Period The Observation Period [shall be from • to • (first day and last day inclusive in each case)] [shall be on •] [shall correspond to the Term] [shall begin on [•] and end on the Valuation Date (inclusive in each case).]
 [shall be as set out in Table 1 in the Annex to the Product Conditions (first day and last day inclusive in each case)]

[insert alternative Observation Period: ●]

Observation Price

shall mean

[in the case of **shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities, indices, futures or interest rate futures** as the Underlying, insert:

the price of the Underlying determined and published by the Reference Agent.]

[in the case of **bonds, commodities or interest rates** as the Underlying, insert:

the price of the Underlying in the interbank market as determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB).]

[in the case of **exchange rates** as the Underlying, insert:

each price of the Underlying on the international interbank market at the Valuation Time determined by the Calculation Agent during the Observation Period in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of the bid and offer prices on the relevant screen page of the Bloomberg financial information service.]

[in the case of **investment units** as the Underlying, insert:

[the price of the Underlying determined and published by the Reference Agent.][the official net asset value for the Underlying, as calculated and published by the Reference Agent and at which it is actually possible to redeem the Underlying.]]

[insert alternative definition of the Observation Price for an Underlying: ●]

[as set out in Table 1 in the Annex to the Product Conditions]

[For the purpose of determining the occurrence of a Barrier Event, each Observation Price of the Underlying during the Observation Period shall be relevant.]]

Redemption Style

[cash settlement] [(physical) delivery]

Redemption at Maturity

The redemption of the Securities on the Maturity Date (section 3 of the General Conditions) shall be determined

[Securities with Collateralisation (COSI):

– subject to the occurrence of a Liquidation Event pursuant to section 14 of the General Conditions –]

in accordance with the following paragraphs.

[Bonus Certificates and Bonus Pro Certificates with cash settlement Redemption Style (with Airbag):

(a) If a Barrier Event has not occurred, the Issuer shall pay a cash settlement corresponding to the higher of the following values:

(i) the Bonus Amount, or

(ii) the Reference Price of the Underlying on the Valuation Date [Ratio expressed as a fraction: divided by the] [Ratio expressed as a decimal number: multiplied by the] Ratio.

(b) If a Barrier Event has occurred, the Issuer shall pay a cash settlement corresponding to the Reference Price of the Underlying on the Valuation Date [Ratio expressed as a fraction: divided by the] [Ratio expressed as a decimal number: multiplied by the] [for Airbag: Airbag] Ratio.]

[Bonus Certificates and Bonus Pro Certificates with (physical) delivery Redemption Style (with Airbag):

(a) If a Barrier Event has not occurred, the Issuer shall pay a cash settlement equal to the higher of the following values:

(i) the Bonus Amount, or

(ii) the Reference Price of the Underlying on the Valuation Date [Ratio expressed as a

fraction: divided by the] [*Ratio expressed as a decimal number: multiplied by the*] Ratio.

- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. [*only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.*]

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons [*for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below*], the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Bonus Cap Certificates and Bonus Cap Pro Certificates with cash settlement Redemption Style (with Airbag):

- (a) If a Barrier Event has not occurred, the Issuer shall pay a cash settlement corresponding to the higher of the following values:
- (i) the Bonus Amount, or
 - (ii) the Reference Price of the Underlying on the Valuation Date [*Ratio expressed as a fraction: divided by the*] [*Ratio expressed as a decimal number: multiplied by the*] Ratio, with the proviso that the cash settlement shall not exceed the Maximum Amount.
- (b) If a Barrier Event has occurred, the Issuer shall pay a cash settlement corresponding to the Reference Price of the Underlying on the Valuation Date, [*Ratio expressed as a fraction: divided by the*] [*Ratio expressed as a decimal number: multiplied by the*] [*for Airbag: Airbag*] Ratio [*except for Pro: , with the proviso that the cash settlement shall not exceed the Maximum Amount*].

[Bonus Cap Certificates with (physical) delivery Redemption Style (with Airbag):

- (a) If a Barrier Event has not occurred, the Issuer shall pay a cash settlement corresponding to the higher of the following values:
- (i) the Bonus Amount, or
 - (ii) the Reference Price of the Underlying on the Valuation Date [*Ratio expressed as a fraction: divided by the*] [*Ratio expressed as a decimal number: multiplied by the*] Ratio, with the proviso that the cash settlement shall not exceed the Maximum Amount.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if
- (i) a Barrier Event has occurred and
 - (ii) the Reference Price of the Underlying is below the Cap on the Valuation Date.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. [*only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.*]

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons [*for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below*], the

Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

- (c) The investor shall receive payment of the Maximum Amount, if a Barrier Event has occurred, but the Reference Price of the Underlying is equal to or higher than the Cap on the Valuation Date.]

[Bonus Cap Pro Certificates with (physical) delivery Redemption Style (with Airbag):

- (a) If a Barrier Event has not occurred, the Issuer shall pay a cash settlement corresponding to the higher of the following values:
- (i) the Bonus Amount, or
 - (ii) the Reference Price of the Underlying on the Valuation Date *[Ratio expressed as a fraction: divided by the] [Ratio expressed as a decimal number: multiplied by the]* Ratio, with the proviso that the cash settlement shall not exceed the Maximum Amount.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

Reference Price

The Reference Price shall be the relevant rate, price or level of the Underlying for the purpose of determining and calculating the redemption of the Securities and shall be determined as follows:

Reference Price means

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

[(a) the value of the Underlying determined and published as the closing price on the Reference Agent]

[(a) the price of the Underlying displayed on page *[screen page: •]* at the Valuation Time and obtainable from there].

[, and (b) in the absence of such price display, the arithmetical mean of the *[bid prices] [offer prices]* for the Underlying determined and notified at the request of the Calculation Agent by 5 leading market participants that are not affiliated companies of the Issuer or of the Calculation Agent]

[, and with the addition of interest accrued on the Underlying (if the interest is not included in the price determined)].]

*[in the case of **commodities** as the Underlying, insert:*

the price of the Underlying determined by the Reference Agent [at the Valuation Time].]

*[in the case of **futures** or **interest rate futures** as the Underlying, insert:*

the settlement price of the Underlying determined and published on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

the exchange rate determined by the Reference Agent at the Valuation Time and then published on the Reference Page. If the Base Currency of the Underlying (as specified above under "Underlying") is not EUR (euros), then the Calculation Agent shall calculate the Reference Price by dividing the respective exchange rate between EUR and the Strike Currency determined by the Reference Agent at the Valuation Time by the exchange rate between EUR and the Base Currency.]

*[in the case of **interest rates** as the Underlying, insert:*

the interest rate [determined by the Reference Agent and] published on the Reference Page [at the Valuation Time].]

*[in the case of **investment units** as the Underlying, insert:*

the value of the Underlying determined and published by the Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

the price of the Underlying determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of the prices set for the Underlying on the Reference Agents during the Valuation Date.]

[insert modified provision relating to the determination of the Reference Price, where applicable: ●]

Exchange Day

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

A day on which the Underlying is calculated by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

A day on which [trading in the Underlying takes place on the Reference Agent] [bid and offer prices for the Underlying are set by at least 3 leading market participants].]

*[in the case of **commodities** as the Underlying, insert:*

A day on which the interbank market for the Underlying is open and on which a price for the Underlying is calculated by the Reference Agent.]

*[in the case of **futures** or **interest rate futures** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

*[in the case of **interest rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

*[in the case of **investment units** as the Underlying, insert:*

A day on which the value of the Underlying is normally determined by the respective Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

A day on which the Reference Agents normally determine a price for the Underlying.]

[insert modified definition of Exchange Day, where applicable: ●]

[for physical delivery only, insert:

Deliverable Asset [Underlying][Investment Units][Index Certificates][ETPs]

[for the Underlying as the Deliverable Asset, insert:

Number of the Deliverable Asset [shall correspond to the [for Airbag: Airbag] Ratio.]
[shall be as set out in Table 1 in the Annex to the Product Conditions.]
[insert alternative method for determining the Number of the Deliverable Asset, where applicable: •]

[for investment units as the Deliverable Asset, insert:

Investment Unit refers to a unit [in][of] [insert description of the Fund including, inter alia, the fund company, the securities identification number(s): •] [as set out in Table 1 in the Annex to the Product Conditions] (the "Fund").

Number of the Deliverable Asset shall be determined on the Final Valuation Date and [shall correspond]
[to the quotient of (i) the Reference Price of the Underlying on the Final Valuation Date [Ratio expressed as a fraction: divided by the] [Ratio expressed as a decimal number: multiplied by the] [for Airbag: Airbag] Ratio and (ii) the NAV of the Investment Unit on the Valuation Date; expressed as a formula:

$$\text{Number of the Deliverable Asset} = \frac{[M \times RP_{\text{Underlying}}] \left[\frac{RP_{\text{Underlying}}}{M} \right]}{NAV_{\text{Investment Unit}}}$$

, where:

$RP_{\text{Underlying}}$ = Reference Price of the Underlying on the Valuation Date,

M = [for Airbag: Airbag] Ratio, and

$NAV_{\text{Investment Unit}}$ = NAV of the Investment Unit on the Valuation Date.]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method of calculating the Number of the Deliverable Asset, where applicable: •]

NAV of the Investment Unit means [the net asset value of the Investment Unit calculated on a Business Day by the custodian bank specified in the Information Document and published on the Fund's website [(specify website, if known: •)]. If the net asset value is not calculated on the Valuation Date, then the NAV shall be the net asset value of the Investment Unit calculated by the aforementioned agent and published on the next following Business Day.]
[insert alternative definition of the NAV, where applicable: •]

Information Document means the sales prospectus or other prospectus prepared with respect to the Investment Unit or the information memorandum prepared with respect to the Investment Unit, as amended respectively.]

[for index certificates and ETPs as the Deliverable Asset, insert:

[Index Certificates] [ETPs] means the [insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: •] [as set out in Table 1 in the Annex to the Product Conditions] (the "[Index Certificates] [ETPs]").

Number of the Deliverable Asset [• (corresponding to the Investment Ratio of the [Index Certificates][ETPs] [Ratio expressed as a fraction: divided by the] [Ratio expressed as a decimal number: multiplied by the] Ratio)]
[shall be determined on the Fixing Date and shall correspond to the quotient of the Nominal Amount and the Strike, with the result in turn divided by the Investment Ratio of the [Index Certificates][ETPs]]
[shall be as set out in Table 1 in the Annex to the Product Conditions.]
[insert alternative method for determining the Number of the Deliverable Asset, where

applicable: •].

Investment Ratio	• (as specified in the Information Document).
Information Document	means the securities prospectus or other prospectus prepared with respect to the [Index Certificates][ETPs] or the information memorandum prepared with respect to the [Index Certificates][ETPs], as amended respectively.]
Fractional Amount	shall correspond to the amount determined by multiplying the fraction of the Number of the Deliverable Asset by <i>[in the event that the Underlying is delivered, insert: the Reference Price of the Underlying on the Valuation Date]</i> <i>[in the event that Investment Units are delivered, insert: the NAV on the Valuation Date]</i> <i>[in the event that Index Certificates or ETPs are delivered, insert: the Reference Price of the Underlying on the Valuation Date [multiplied by the][divided by the] Investment Ratio of the [Index Certificates][ETPs]]</i> <i>[insert alternative method for determining the Fractional Amount, where applicable: •].</i>
Monetary Value	shall correspond <i>[in the event that the Underlying or Index Certificates or ETPs are delivered, insert: to the Reference Price of the Underlying on the Valuation Date [divided by the][multiplied by the] Number of the Deliverable Asset]</i> <i>[in the event that Investment Units are delivered, insert: to the NAV on the Valuation Date multiplied by the Number of the Deliverable Asset]</i> <i>[insert alternative method for determining the Monetary Value, where applicable: •].</i>
Currency Conversion	<i>[if currency hedging (Quanto) is not provided for, insert:</i> All monetary amounts payable under the Securities shall be converted into the Settlement Currency in accordance with the Conversion Rate. "Conversion Rate" means [the relevant conversion rate as determined for the Valuation Date by Bloomberg L.P. at around 2:00 p.m. (local time in Frankfurt am Main) and published on the web page http://www.bloomberg.com/markets/currencies/fx-fixings.] <i>[insert different definition of the Conversion Rate, where applicable: •]</i> <i>[insert additionally, where applicable: If such conversion rate is not determined or published [or if the method of calculation of such conversion rate is materially modified or the normal publication time is changed by more than 30 minutes], the Calculation Agent shall determine the Conversion Rate applicable on the Valuation Date at the time of determination of the Reference Price in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].]</i> <i>[if currency hedging (Quanto) is provided for, insert:</i> All monetary amounts payable under the Securities shall be converted into the Settlement Currency. The conversion shall use a Conversion Rate of 1:1, i.e. one unit of the Currency of the Underlying shall correspond to one unit of the Settlement Currency of the Security ("Quanto Structure").]
Registry Type	[German Global Certificates] [Swiss Uncertified Securities] [Italian Uncertificated Certificates] [Danish Uncertificated Securities] [Dutch Uncertificated Securities]

	[Finnish Registered Securities]
	[French Dematerialized Bearer Securities]
	[Norwegian Registered Securities]
	[Swedish Registered Securities]
Guarantor	[Vontobel Holding AG, Zurich (the Swiss Guarantor)] [Bank Vontobel Europe AG, Munich (the German Guarantor)]
Applicable Adjustment and Market Disruption Provisions	The rules for Adjustments and Market Disruption Events for [shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities] [indices] [bonds] [commodities] [futures or interest rate futures] [exchange rates] [interest rates] [investment units] [virtual currencies] specified in section 6 and section 7 of the General Conditions shall apply to this Security.
Extraordinary Right of Termination of the Issuer	Applicable ([excluding][including] Hedging Disruption Events)
Securities with Collateralisation	[The Securities will not be collateralised , i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall not be applicable.] [The Securities shall be collateralised , i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall be applicable. Method for determining the Current Value of the Security: [Method A: Fair Value procedure] [Method B: Bond Floor procedure]]

8.2.4 Product Conditions for Multi Bonus (Cap) (Pro) Certificates

[

[insert only in case of multiple series of Securities:

ISIN [/ WKN] [/ Valor] [/ <i>insert another securities identification number, if any: •</i>]	[• [/ •] [/ •] <i>[insert another securities identification number, if any: •]</i>] [as set out in Table 1 in the Annex to the Product Conditions]]

Type of Security	Multi Bonus [Cap] [Pro] Certificates [Quanto] [with Airbag] [and] [with Collateralisation (COSI)]

Settlement Currency	of the Securities shall be [•][shall be as set out in Table 1 in the Annex to the Product Conditions]. [All references to • should be understood as references to <i>[insert details of the Currency: •]</i> .]

Nominal Amount	•

Issue Size [(up to)]	[•] <i>[in the case of an increase of issue, insert additionally: , which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on [insert issue date of the Original Securities: •] [(and increased on [list earlier increases of issue, where applicable: •])]</i> and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a total issue size of •.) [shall be as set out in Table 1 in the Annex to the Product Conditions]

Issue Date	•

[Fixing Date	•]

Valuation Date	[•][as set out in Table 1 in the Annex to the Product Conditions] If the Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] <i>[insert modified provision, where applicable: •]</i> .

[insert only in case of Italian Uncertificated Certificates:

Expiry Date (<i>Data di Scadenza</i>)	[shall mean the Valuation Date.] [[•] Business Days following the Valuation Date.] [as set out in Table 1 in the Annex to the Product Conditions] [•]]

Maturity Date	[•][as set out in Table 1 in the Annex to the Product Conditions]

Product Features	means the Underlyings, the Strikes, the Bonus Level, <i>[for Cap: , the Cap.]</i> the Barriers and the Ratios.

Underlyings	<i>[list Underlyings in order: •]</i> [shall be as set out in Table 1 in the Annex to the Product Conditions]

[insert description of Underlying: •] [shall be as set out in Table 1 in the Annex to the Product Conditions]

*[In the case of **shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities and indices** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **indices** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one index point corresponds to one unit of the Currency of the Underlying.]]

*[In the case of **bonds** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **commodities** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Unit of Measurement:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **futures or interest rate futures** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **interest rate futures** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one percentage point in the pricing of the Underlying by the Reference Agent shall correspond to one unit of the Currency of the Underlying.]]

*[In the case of **exchange rates** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table

2 in the Annex to the Product Conditions]]

[Base Currency / Strike Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[The "Currency of the Underlying" shall correspond to the Strike Currency.]]

[In the case of **interest rates** as the Underlying, insert:

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

[In the case of **investment units** as the Underlying, insert:

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

[In the case of **virtual currencies** as the Underlying, insert:

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] Symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Base Currency / Strike Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

[All references to • should be understood as references to [insert details of the Currency: •].]

Underlying	Initial Reference Price	Ratio	Strike	Barrier
[description of Underlying: •]	[•] [as set out in Table 1 in the Annex	[•] [as set out in Table 1 in the Annex	[•] [as set out in Table 1 in the Annex	[•] [as set out in Table 1 in the Annex

	to the Product Conditions]	to the Product Conditions]	to the Product Conditions]	to the Product Conditions]
[description of Underlying: ●]	[●] [as set out in Table 1 in the Annex to the Product Conditions]	[●] [as set out in Table 1 in the Annex to the Product Conditions]	[●] [as set out in Table 1 in the Annex to the Product Conditions]	[●] [as set out in Table 1 in the Annex to the Product Conditions]
[additional Underlyings, where applicable: ●]	[●] [as set out in Table 1 in the Annex to the Product Conditions]	[●] [as set out in Table 1 in the Annex to the Product Conditions]	[●] [as set out in Table 1 in the Annex to the Product Conditions]	[●] [as set out in Table 1 in the Annex to the Product Conditions]
Barrier Event	A Barrier Event shall occur if [except for Pro: the Observation Price of at least one Underlying is [equal to or] below the applicable Barrier for the respective Underlying at least once on an Exchange Day within the Observation Period.] [for Pro: the Reference Price of at least one Underlying is [equal to or] below the applicable Barrier for the respective Underlying on the Valuation Date.] [insert alternative definition of a Barrier Event: ●]]			
[for Multi Bonus Cap (Pro) Certificates:				
Cap	[●%] [as set out in Table 1 in the Annex to the Product Conditions]			
Maximum Amount	[shall correspond to [●] [the Cap multiplied by the Nominal Amount.]] [shall be as set out in Table 1 in the Annex to the Product Conditions]			
Bonus Level	[● %] [as set out in Table 1 in the Annex to the Product Conditions]			
Bonus Amount	[●] [means the Bonus Level multiplied by the Nominal Amount.]			
[Insert, except for Pro:				
Observation Period	The Observation Period [shall be from ● to ● (first day and last day inclusive in each case)] [shall be on ●] [shall correspond to the Term] [shall begin on [●] and end on the Valuation Date (inclusive in each case).] [shall be as set out in Table 1 in the Annex to the Product Conditions (first day and last day inclusive in each case)] [insert alternative Observation Period: ●]			
Observation Price	shall mean [in the case of shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities, indices, futures or interest rate futures as the Underlying, insert: the price of the respective Underlying determined and published by the Reference Agent.] [in the case of bonds, commodities or interest rates as the Underlying, insert: the price of the respective Underlying in the interbank market as determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].] [in the case of exchange rates as the Underlying, insert: each price of the respective Underlying on the international interbank market at the Valuation Time determined by the Calculation Agent during the Observation Period in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of			

the bid and offer prices on the relevant screen page of the Bloomberg financial information service.]

[in the case of *investment units* as the Underlying, insert:

[the price of the respective Underlying determined and published by the Reference Agent.][the official net asset value for the respective Underlying, as calculated and published by the Reference Agent and at which it is actually possible to redeem the Underlying.]]

[insert alternative definition of the Observation Price for an Underlying: ●]

[as set out in Table 1 in the Annex to the Product Conditions]

[For the purpose of determining the occurrence of a Barrier Event, each Observation Price of an Underlying during the Observation Period shall be relevant.]]

Redemption Style	[cash settlement] [(physical) delivery]
Redemption at Maturity	The redemption of the Securities on the Maturity Date (section 3 of the General Conditions) shall be determined [Securities with Collateralisation (COSI): – subject to the occurrence of a Liquidation Event pursuant to section 14 of the General Conditions –] in accordance with the following paragraphs. [Multi Bonus Certificates and Multi Bonus Pro Certificates with cash settlement Redemption Style: (a) The Issuer shall pay a cash settlement, if a Barrier Event has not occurred. The cash settlement shall correspond to the Nominal Amount multiplied by the [average Performance of the Underlyings] [Relevant Performance], but shall be at least equal to the Bonus Amount. (b) If a Barrier Event has occurred, the Issuer shall also pay a cash settlement. The latter shall, however, correspond to the Nominal Amount multiplied by [the arithmetic mean of the Performances of all the Underlyings] [the Relevant Performance].] [Multi Bonus Certificates and Multi Bonus Pro Certificates with (physical) delivery Redemption Style: (a) The Issuer shall pay a cash settlement, if a Barrier Event has not occurred. The cash settlement shall correspond to the Nominal Amount multiplied by [the arithmetic mean of the Performances of all the Underlyings] [the Relevant Performance], but shall be at least equal to the Bonus Amount. (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred. Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. [only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.] If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons [for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below], the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.] [Multi Bonus Cap Certificates and Multi Bonus Cap Pro Certificates with cash settlement

Redemption Style:

- (a) The Issuer shall pay a cash settlement, if a Barrier Event has not occurred.

The cash settlement shall correspond to the Nominal Amount multiplied by [the arithmetic mean of the Performances of all the Underlyings] [the Relevant Performance], but shall be at least equal to the Bonus Amount and at most to the Maximum Amount.

- (b) If a Barrier Event has occurred, the Issuer shall also pay a cash settlement.

The latter shall, however, correspond to the Nominal Amount multiplied by [the arithmetic mean of the Performances of all the Underlyings] [the Relevant Performance], but shall be at most equal to the Maximum Amount.]

[Multi Bonus Cap Certificates and Multi Bonus Cap Pro Certificates with (physical) delivery Redemption Style:

- (a) The Issuer shall pay a cash settlement, if a Barrier Event has not occurred.

The cash settlement shall correspond to the Nominal Amount multiplied by [the arithmetic mean of the Performances of all the Underlyings] [the Relevant Performance], but shall be at least equal to the Bonus Amount and at most to the Maximum Amount.

- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred.

The investor shall receive payment of the Maximum Amount instead of delivery of the Deliverable Asset, if the equivalent value of the Deliverable Assets (as specified below) is equal to or higher than the Maximum Amount.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

Reference Price

The Reference Price shall be the relevant rate, price or level of the respective Underlying for the purpose of determining and calculating the redemption of the Securities and shall be determined as follows:

Reference Price means

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

[(a) the value of the Underlying determined and published as the closing price on the Reference Agent]

[(a) the price of the Underlying displayed on page [screen page: •] at the Valuation Time and obtainable from there].

[, and (b) in the absence of such price display, the arithmetical mean of the [bid prices] [offer prices] for the Underlying determined and notified at the request of the Calculation Agent by 5 leading market participants that are not affiliated companies of the Issuer or of the Calculation

Agent]

[, and with the addition of interest accrued on the Underlying (if the interest is not included in the price determined)].]

*[in the case of **commodities** as the Underlying, insert:*

the price of the Underlying determined by the Reference Agent [at the Valuation Time].]

*[in the case of **futures** or **interest rate futures** as the Underlying, insert:*

the settlement price of the Underlying determined and published on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

the exchange rate determined by the Reference Agent at the Valuation Time and then published on the Reference Page. If the Base Currency of the Underlying (as specified above under "Underlying") is not EUR (euros), then the Calculation Agent shall calculate the Reference Price by dividing the respective exchange rate between EUR and the Strike Currency determined by the Reference Agent at the Valuation Time by the exchange rate between EUR and the Base Currency.]

*[in the case of **interest rates** as the Underlying, insert:*

the interest rate [determined by the Reference Agent and] published on the Reference Page [at the Valuation Time].]

*[in the case of **investment units** as the Underlying, insert:*

the value of the Underlying determined and published by the Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

the price of the Underlying determined by the Calculation Agent in its reasonable discretion *[for Securities subject to German law: (sections 315, 317 BGB)]* taking account of the prices set for the Underlying on the Reference Agents during the Valuation Date.]

[insert modified provision relating to the determination of the Reference Price, where applicable: ●]

Performance

[of the respective Underlying shall correspond to the quotient of (i) the Reference Price of the respective Underlying on the Valuation Date and (ii) the [Strike][Initial Reference Price] of the respective Underlying, expressed as a percentage.] [as set out in Table 1 in the Annex to the Product Conditions]

Relevant Performance

means the Performance of the Underlying showing the [lowest] [highest] [●] Performance in relation to the other Underlyings. If several Underlyings show identical Performance, the Issuer shall be entitled to decide in its reasonable discretion *[for Securities subject to German law: (sections 315, 317 BGB)]* which of the Underlyings concerned shall be used for the purpose of calculating the Relevant Performance within the meaning of these Terms and Conditions.

Exchange Day

*[[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

A day on which the Underlying is calculated by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

A day on which [trading in the Underlying takes place on the Reference Agent] [bid and offer prices for the Underlying are set by at least 3 leading market participants].]

*[in the case of **commodities** as the Underlying, insert:*

A day on which the interbank market for the Underlying is open and on which a price for the Underlying is calculated by the Reference Agent.]

*[in the case of **futures** or **interest rate futures** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

[in the case of **exchange rates** as the Underlying, insert:

A day on which the Reference Agent normally fixes a price for the Underlying.]

[in the case of **interest rates** as the Underlying, insert:

A day on which the Reference Agent normally fixes a price for the Underlying.]

[in the case of **investment units** as the Underlying, insert:

A day on which the value of the Underlying is normally determined by the respective Reference Agent.]

[In the case of **virtual currencies** as the Underlying, insert:

A day on which the Reference Agents normally determine a price for the Underlying.]

[insert modified definition of Exchange Day, where applicable: •]

[for physical delivery only, insert:

Deliverable Asset	[Underlying with the Relevant Performance] [[Investment Units][Index Certificates][ETPs] linked to the Underlying with the Relevant Performance] [as set out in Table 1 in the Annex to the Product Conditions]

[for an Underlying as the Deliverable Asset, insert:

Number of the Deliverable Asset	[shall correspond to the Ratio of the Underlying with the Relevant Performance.]
	[shall be as set out in Table 1 in the Annex to the Product Conditions.]
	[insert alternative method for determining the Number of the Deliverable Asset for the Underlyings, where applicable: •]]

[for investment units as the Deliverable Asset, insert:

Investment Unit	means a unit in the fund allocated to the respective Underlying (each a " Fund "), as listed below:	
	[Underlying 1]	[insert description of the Fund including, inter alia, the fund company, the securities identification number(s): •] [as set out in Table 1 in the Annex to the Product Conditions]
	[Underlying 2]	[insert description of the Fund including, inter alia, the fund company, the securities identification number(s): •] [as set out in Table 1 in the Annex to the Product Conditions]
	[list additional Underlying(s), where applicable]	[insert description of the Fund including, inter alia, the fund company, the securities identification number(s): •]] [as set out in Table 1 in the Annex to the Product Conditions]

Number of the Deliverable Asset	shall be determined on the Final Valuation Date and shall correspond
	[to the quotient of (i) the Reference Price of the Underlying with the Relevant Performance on the Valuation Date multiplied by the quotient of the Nominal Amount and the Strike of the Underlying with the Relevant Performance and (ii) the NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Valuation Date; expressed as a formula:

$$\text{Number of the Deliverable Asset} = \frac{\frac{NA}{S_{\text{Underlying}}} \times RP_{\text{Underlying}}}{NAV_{\text{Investment Unit}}}$$

, where:

$RP_{\text{Underlying}}$ = Reference Price of the Underlying with the Relevant Performance

on the Valuation Date

$S_{\text{Underlying}}$ = Strike of the Underlying with the Relevant Performance,

NA = Nominal Amount, and

$NAV_{\text{Investment Unit}}$ = NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Valuation Date.]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method of calculating the Number of the Deliverable Asset, where applicable: •]

NAV	of the respective Investment Unit means [the net asset value of the Investment Unit calculated on a Business Day by the custodian bank specified in the Information Document and published on the respective Fund's website [(specify website, if known: •)]. If the net asset value is not calculated on the Valuation Date, then the NAV shall be the net asset value of the Investment Unit calculated by the aforementioned agent and published on the next following Business Day.] [insert alternative definition of the NAV, where applicable: •]

Information Document	means the sales prospectus or other prospectus prepared with respect to the respective Investment Unit or the information memorandum prepared with respect to the Investment Unit, as amended respectively.]

[for index certificates and ETPs as the Deliverable Asset, insert:

[Index Certificates] [ETPs]	means the [Index Certificates] [ETPs] allocated to the respective Underlying (the "[Index Certificates] [ETPs]"), as listed below:

[Underlying 1]

[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: •][as set out in Table 1 in the Annex to the Product Conditions]

[Underlying 2]

[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: •][as set out in Table 1 in the Annex to the Product Conditions]

[list additional Underlying(s), where applicable]

[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: •][as set out in Table 1 in the Annex to the Product Conditions]

Number of the Deliverable Asset

[Index Certificates or ETPs linked to Underlying 1]

[•][shall be as set out in Table 1 in the Annex to the Product Conditions.] [shall be determined on the Fixing Date and shall correspond to the quotient of the Nominal Amount and the Strike of the respective Underlying, with the result in turn divided by the Investment Ratio of the [Index Certificates][ETPs]]

[Index Certificates or ETPs linked to Underlying 2]

[•][shall be as set out in Table 1 in the Annex to the Product Conditions.] [shall be determined on the Fixing Date and shall correspond to the quotient of the Nominal Amount and the Strike of the respective Underlying, with the result in turn divided by the Investment Ratio of the [Index Certificates][ETPs]]

[list Index Certificates or ETPs linked to additional Underlying(s), where applicable]

[•][shall be as set out in Table 1 in the Annex to the Product Conditions.] [shall be determined on the Fixing Date and shall correspond to the quotient of the Nominal Amount and the Strike of the respective Underlying, with the result in turn divided

by the Investment Ratio of the [Index Certificates][ETPs]

[if the Ratio is determined before or at the start of the offer, insert where applicable: The Ratios above correspond in each case to quotient of the Nominal Amount and the Strike of the respective Underlying, with the result in turn divided by the Investment Ratio of the relevant [Index Certificates][ETPs].]

[insert alternative method for determining the Number of the Deliverable Asset for the Index Certificates or ETPs linked to the Underlyings, where applicable: •]

Investment Ratio	<i>[Index Certificates or ETPs linked to Underlying 1]</i> [•]
	<i>[Index Certificates or ETPs linked to Underlying 2]</i> [•]
	<i>[list Index Certificates or ETPs linked to additional Underlying(s), where applicable]</i> [•]
The Investment Ratios above are as specified in the respective Information Document.	
Information Document	means in each case the securities prospectus or other prospectus prepared with respect to the [Index Certificates][ETPs] or the information memorandum prepared with respect to the [Index Certificates][ETPs], as amended respectively.]
Fractional Amount	shall correspond to the amount determined by multiplying the fraction of the Number of the Deliverable Asset by <i>[in the event that an Underlying is delivered, insert: the Reference Price of the Underlying with the Relevant Performance on the Valuation Date]</i> <i>[in the event that Investment Units are delivered, insert: the NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Valuation Date]</i> <i>[in the event that Index Certificates or ETPs are delivered, insert: the Reference Price of the Underlying with the Relevant Performance on the Valuation Date [multiplied by the][divided by the] Investment Ratio of the [Index Certificates][ETPs] linked to it].</i>
Monetary Value	shall correspond <i>[in the event that an Underlying or Index Certificates or ETPs are delivered, insert: to the Reference Price of the Underlying with the Relevant Performance on the Valuation Date multiplied by the Number of the Deliverable Asset]</i> <i>[in the event that Investment Units are delivered, insert: to the NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Valuation Date multiplied by the Number of the Deliverable Asset]</i> <i>[insert alternative method for determining the Monetary Value, where applicable: •].]</i>
Currency Conversion	<i>[if currency hedging (Quanto) is not provided for, insert:</i> All monetary amounts payable under the Securities shall be converted into the Settlement Currency in accordance with the Conversion Rate. "Conversion Rate" means <i>[the relevant conversion rate as determined for the Valuation Date by Bloomberg L.P. at around 2:00 p.m. (local time in Frankfurt am Main) and published on the web page http://www.bloomberg.com/markets/currencies/fx-fixings.]</i> <i>[insert different definition of the Conversion Rate, where applicable: •]</i> <i>[insert additionally, where applicable: If such conversion rate is not determined or published [or if the method of calculation of such conversion rate is materially modified or the normal publication time is changed by more than 30 minutes], the Calculation Agent shall determine</i>

the Conversion Rate applicable on the Valuation Date at the time of determination of the Reference Price in its reasonable discretion [*for Securities subject to German law: (sections 315, 317 BGB)).*]

[if currency hedging (Quanto) is provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency. The conversion shall use a Conversion Rate of 1:1, i.e. one unit of the Currency of the Underlying shall correspond to one unit of the Settlement Currency of the Security ("**Quanto Structure**").]

Registry Type	[German Global Certificates] [Swiss Uncertified Securities] [Italian Uncertificated Certificates] [Danish Uncertificated Securities] [Dutch Uncertificated Securities] [Finnish Registered Securities] [French Dematerialized Bearer Securities] [Norwegian Registered Securities] [Swedish Registered Securities]
Guarantor	[Vontobel Holding AG, Zurich (the Swiss Guarantor)] [Bank Vontobel Europe AG, Munich (the German Guarantor)]
Applicable Adjustment and Market Disruption Provisions	The rules for Adjustments and Market Disruption Events for [shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities] [indices] [bonds] [commodities] [futures or interest rate futures] [exchange rates] [interest rates] [investment units] [virtual currencies] specified in section 6 and section 7 of the General Conditions shall apply to this Security.
Extraordinary Right of Termination of the Issuer	Applicable ([excluding][including] Hedging Disruption Events)
Securities with Collateralisation	[The Securities will not be collateralised, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall not be applicable.] [The Securities shall be collateralised, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall be applicable. Method for determining the Current Value of the Security: [Method A: Fair Value procedure] [Method B: Bond Floor procedure]

8.2.5 Product Conditions for Reverse Bonus (Cap) (Pro) Certificates with Ratio

[

[insert only in case of multiple series of Securities:]

ISIN [/ WKN] [/ Valor] [/] [insert • [/] •] [/] [/] [insert another securities identification number, if any: •]] [as set out in Table 1 in another securities identification number, if any: •] the Annex to the Product Conditions]]

Type of Security	Reverse Bonus [Cap] [Pro] Certificates [Quanto] [with Collateralisation (COSI)]
Settlement Currency	of the Securities shall be [●][shall be as set out in Table 1 in the Annex to the Product Conditions]. [All references to ● should be understood as references to <i>[insert details of the Currency: ●]</i> .]
Issue Size [(up to)]	[●] <i>[in the case of an increase of issue, insert additionally: , which shall be consolidated with the outstanding Securities (ISIN ● / WKN ● / Valor ●) issued on [insert issue date of the Original Securities: ●] [(and increased on [list earlier increases of issue, where applicable: ●])]</i> and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a total issue size of ●.)] [shall be as set out in Table 1 in the Annex to the Product Conditions]
Issue Date	●
Fixing Date	●
Valuation Date	[●][as set out in Table 1 in the Annex to the Product Conditions] If the Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] <i>[insert modified provision, where applicable: ●]</i> .

[insert only in case of Italian Uncertificated Certificates:

Expiry Date (*Data di Scadenza*) [shall mean the Valuation Date.] [(•) Business Days following the Valuation Date.] [as set out in Table 1 in the Annex to the Product Conditions] [(•)]

Maturity Date [●][as set out in Table 1 in the Annex to the Product Conditions]

Product Features means the Underlying, the Reverse Level, the Bonus Level, [for Cap: , the Cap], the Barrier and the Ratio.

Underlying [insert description of Underlying: •] [shall be as set out in Table 1 in the Annex to the Product Conditions]

[In the case of **shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities and indices** as the Underlying, insert:

[ISIN Underlying:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][●] symbol: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Derivatives Exchange: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product

Conditions]]

*[In the case of **indices** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one index point corresponds to one unit of the Currency of the Underlying.]]

*[In the case of **bonds** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Derivatives Exchange: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **commodities** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Unit of Measurement: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **futures or interest rate futures** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product

Conditions]]

[Derivatives Exchange: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **interest rate futures** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one percentage point in the pricing of the Underlying by the Reference Agent shall correspond to one unit of the Currency of the Underlying.]]

*[In the case of **exchange rates** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Base Currency / Strike Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[The "Currency of the Underlying" shall correspond to the Strike Currency.]]

*[In the case of **interest rates** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **investment units** as the Underlying, insert:*

.....

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **virtual currencies** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] Symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Base Currency / Strike Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Page:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

[All references to • should be understood as references to *[insert details of the Currency: •]*.]

*[in the event that for **futures** or **interest rate futures** as the Underlying a Rollover is stipulated, insert additionally:*

Underlying on the Issue Date	<i>[insert description of the contract at the time of issue: •]</i>
	Bloomberg Symbol: <i>[insert description of the Bloomberg symbol of the relevant contract at the time of issue: •]</i>

Current Underlying	[On each Rollover Date a Rollover procedure shall be carried out whereby the Issuer replaces the respective Current Underlying with another Underlying (future) which, except for the expiry date which is further in the future, has the same or comparable contract specifications. The "Current Underlying" from the Issue Date until the first Rollover Date means the "Underlying on the Issue Date", as specified above. On the first Rollover Date this Underlying shall lose its validity and shall be replaced by the Underlying falling due on the Reference Agent in the next following Rollover Month. On each subsequent Rollover Date, the Current Underlying shall be replaced analogously by the underlying contract falling due on the Reference Agent in the next following Rollover Month.] <i>[insert modified provision relating to the Rollover, where applicable: •]</i>

Rollover Date	[shall be determined in each case by the Calculation Agent in its reasonable discretion <i>[for Securities subject to German law: (sections 315, 317 BGB)]</i> and shall fall within a period of ten trading days prior to the last trading day of the Current Underlying on the Reference Agent. [In the event that the first notice day of the Current Underlying is before its last trading day, the period for the Rollover Date shall begin ten trading days prior to the first notice day and shall end with the last trading day of the Current Under-

lying.]] *[insert alternative definition of a Rollover Date: ●]*

Rollover Month[s] *[insert corresponding contract months: ●]* [means each contract month defined in relation to the Underlying on the Reference Agent].]

Ratio [●] [as set out in Table 1 in the Annex to the Product Conditions]

Initial Reference Price [●] [as set out in Table 1 in the Annex to the Product Conditions]

Reverse Level [●] [as set out in Table 1 in the Annex to the Product Conditions]

Bonus Level [●] [as set out in Table 1 in the Annex to the Product Conditions]

Bonus Amount [●] [means the difference between the Reverse Level and the Bonus Level, *[Ratio expressed as a fraction: divided by the]* *[Ratio expressed as a decimal number: multiplied by the]* Ratio.]

Barrier [●] [as set out in Table 1 in the Annex to the Product Conditions]

Barrier Event A Barrier Event shall occur if
[except for Pro:
 the Observation Price of the Underlying is [equal to or] above the Barrier at least once on an Exchange Day within the Observation Period.]
[for Pro:
 the Reference Price of the Underlying is [equal to or] above the Barrier on the Valuation Date.]
[insert alternative definition of a Barrier Event: ●]]

[For Reverse Bonus Cap (Pro) Certificates, insert:

Cap [●] [as set out in Table 1 in the Annex to the Product Conditions]

Maximum Amount [●] [means the difference between the Reverse Level and the Cap, *[Ratio expressed as a fraction: divided by the]* *[Ratio expressed as a decimal number: multiplied by the]* Ratio.]] [shall be as set out in Table 1 in the Annex to the Product Conditions]

[Insert, except for Pro:

Observation Period [The Observation Period [shall be from ● to ● (first day and last day inclusive in each case)] [shall be on ●] [shall correspond to the Term] [shall begin on [●] and end on the Valuation Date (inclusive in each case).]

[shall be as set out in Table 1 in the Annex to the Product Conditions (first day and last day inclusive in each case)]

[insert alternative Observation Period: ●]]

Observation Price shall mean

*[in the case of **shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities, indices, futures or interest rate futures** as the Underlying, insert:*

the price of the Underlying determined and published by the Reference Agent.]

*[in the case of **bonds, commodities or interest rates** as the Underlying, insert:*

the price of the Underlying in the interbank market as determined by the Calculation Agent in its reasonable discretion *[for Securities subject to German law: (sections 315, 317 BGB)].]*

*[in the case of **exchange rates** as the Underlying, insert:*

each price of the Underlying on the international interbank market at the Valuation Time determined by the Calculation Agent during the Observation Period in its reasonable discretion [*for Securities subject to German law: (sections 315, 317 BGB)*] taking account of the bid and offer prices on the relevant screen page of the Bloomberg financial information service.]

[*in the case of investment units as the Underlying, insert:*

[the price of the Underlying determined and published by the Reference Agent.][the official net asset value for the Underlying, as calculated and published by the Reference Agent and at which it is actually possible to redeem the Underlying.]]

[*insert alternative definition of the Observation Price for an Underlying: •*]

[as set out in Table 1 in the Annex to the Product Conditions]

[For the purpose of determining the occurrence of a Barrier Event, each Observation Price of the Underlying during the Observation Period shall be relevant.]]

Redemption Style	Cash settlement
Redemption at Maturity	The redemption of the Securities on the Maturity Date (section 3 of the General Conditions) shall be determined [<i>Securities with Collateralisation (COSI):</i> – subject to the occurrence of a Liquidation Event pursuant to section 14 of the General Conditions –] in accordance with the following paragraphs. [<i>Reverse Bonus Certificates and Reverse Bonus Pro Certificates:</i> (a) If a Barrier Event has not occurred, the Issuer shall pay a cash settlement corresponding to the higher of the following values: (i) the Bonus Amount, or (ii) the difference between the Reverse Level and the Reference Price of the Underlying on the Valuation Date [<i>Ratio expressed as a fraction: divided by the</i>] [<i>Ratio expressed as a decimal number: multiplied by the</i>] Ratio. (b) If a Barrier Event has occurred, the Issuer shall pay a cash settlement corresponding to the difference between the Reverse Level and the Reference Price of the Underlying on the Valuation Date, [<i>Ratio expressed as a fraction: divided by the</i>] [<i>Ratio expressed as a decimal number: multiplied by the</i>] Ratio, with the proviso that the cash settlement may not be negative. [<i>Reverse Bonus Cap Certificates and Reverse Bonus Cap Pro Certificates:</i> (a) If a Barrier Event has not occurred, the Issuer shall pay a cash settlement corresponding to the higher of the following values: (i) the Bonus Amount, or (ii) the difference between the Reverse Level and the Reference Price of the Underlying on the Valuation Date, [<i>Ratio expressed as a fraction: divided by the</i>] [<i>Ratio expressed as a decimal number: multiplied by the</i>] Ratio, with the proviso that the cash settlement shall not exceed the Maximum Amount. (b) If a Barrier Event has occurred, the Issuer shall pay a cash settlement corresponding to the difference between the Reverse Level and the Reference Price of the Underlying on the Valuation Date, [<i>Ratio expressed as a fraction: divided by the</i>] [<i>Ratio expressed as a decimal number: multiplied by the</i>] Ratio. In this context, the cash settlement may not be negative [<i>except for Pro: and shall not exceed the Maximum Amount</i>].
Reference Price	The Reference Price shall be the relevant rate, price or level of the Underlying for the purpose of determining and calculating the redemption of the Securities and shall be determined as follows:

Reference Price means

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

[(a) the value of the Underlying determined and published as the closing price on the Reference Agent]

[(a) the price of the Underlying displayed on page [screen page: ●] at the Valuation Time and obtainable from there].

[, and (b) in the absence of such price display, the arithmetical mean of the [bid prices] [offer prices] for the Underlying determined and notified at the request of the Calculation Agent by 5 leading market participants that are not affiliated companies of the Issuer or of the Calculation Agent]

[, and with the addition of interest accrued on the Underlying (if the interest is not included in the price determined)].]

*[in the case of **commodities** as the Underlying, insert:*

the price of the Underlying determined by the Reference Agent [at the Valuation Time].]

*[in the case of **futures or interest rate futures** as the Underlying, insert:*

the settlement price of the Underlying determined and published on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

the exchange rate determined by the Reference Agent at the Valuation Time and then published on the Reference Page. If the Base Currency of the Underlying (as specified above under "Underlying") is not EUR (euros), then the Calculation Agent shall calculate the Reference Price by dividing the respective exchange rate between EUR and the Strike Currency determined by the Reference Agent at the Valuation Time by the exchange rate between EUR and the Base Currency.]

*[in the case of **interest rates** as the Underlying, insert:*

the interest rate [determined by the Reference Agent and] published on the Reference Page [at the Valuation Time].]

*[in the case of **investment units** as the Underlying, insert:*

the value of the Underlying determined and published by the Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

the price of the Underlying determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of the prices set for the Underlying on the Reference Agents during the Valuation Date.]

[insert modified provision relating to the determination of the Reference Price, where applicable: ●]

Exchange Day

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

A day on which the Underlying is calculated by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

A day on which [trading in the Underlying takes place on the Reference Agent] [bid and offer prices for the Underlying are set by at least 3 leading market participants].]

*[in the case of **commodities** as the Underlying, insert:*

A day on which the interbank market for the Underlying is open and on which a price for the Underlying is calculated by the Reference Agent.]

*[in the case of **futures** or **interest rate futures** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

*[in the case of **interest rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

*[in the case of **investment units** as the Underlying, insert:*

A day on which the value of the Underlying is normally determined by the respective Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

A day on which the Reference Agents normally determine a price for the Underlying.]

[insert modified definition of Exchange Day, where applicable: •]

Currency Conversion

[if currency hedging (Quanto) is not provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency in accordance with the Conversion Rate.

"Conversion Rate" means

[the relevant conversion rate as determined for the Valuation Date by Bloomberg L.P. at around 2:00 p.m. (local time in Frankfurt am Main) and published on the web page <http://www.bloomberg.com/markets/currencies/fx-fixings>.]

[insert different definition of the Conversion Rate, where applicable: •]

[insert additionally, where applicable: If such conversion rate is not determined or published [or if the method of calculation of such conversion rate is materially modified or the normal publication time is changed by more than 30 minutes], the Calculation Agent shall determine the Conversion Rate applicable on the Valuation Date at the time of determination of the Reference Price in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].]

[if currency hedging (Quanto) is provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency. The conversion shall use a Conversion Rate of 1:1, i.e. one unit of the Currency of the Underlying shall correspond to one unit of the Settlement Currency of the Security ("**Quanto Structure**").]

Registry Type

[German Global Certificates]

[Swiss Uncertified Securities]

[Italian Uncertificated Certificates]

[Danish Uncertificated Securities]

[Dutch Uncertificated Securities]

[Finnish Registered Securities]

[French Dematerialized Bearer Securities]

[Norwegian Registered Securities]

[Swedish Registered Securities]

Guarantor	[Vontobel Holding AG, Zurich (the Swiss Guarantor)] [Bank Vontobel Europe AG, Munich (the German Guarantor)]
Applicable Adjustment and Market Disruption Provisions	The rules for Adjustments and Market Disruption Events for [shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities] [indices] [bonds] [commodities] [futures or interest rate futures] [exchange rates] [interest rates] [investment units] [virtual currencies] specified in section 6 and section 7 of the General Conditions shall apply to this Security.
Extraordinary Right of Termination of the Issuer	Applicable ([excluding][including] Hedging Disruption Events)
Securities with Collateralisation	[The Securities will not be collateralised, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall not be applicable.] [The Securities shall be collateralised, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall be applicable. Method for determining the Current Value of the Security: [Method A: Fair Value procedure] [Method B: Bond Floor procedure]

8.2.6 Product Conditions for Reverse Bonus (Cap) (Pro) Certificates with Nominal Amount

[

[insert only in case of multiple series of Securities:

ISIN [/ WKN] [/ Valor] [/] *[insert another securities identification number, if any: •]* [• / •] [•] *[insert another securities identification number, if any: •]* [as set out in Table 1 in the Annex to the Product Conditions]]

Type of Security	Reverse Bonus [Cap] [Pro] Certificates [Quanto] [with Collateralisation (COSI)]
Settlement Currency	of the Securities shall be [•][shall be as set out in Table 1 in the Annex to the Product Conditions]. [All references to • should be understood as references to <i>[insert details of the Currency: •]</i> .]
Nominal Amount	•
Issue Size [(up to)]	[•] <i>[in the case of an increase of issue, insert additionally:; which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on [insert issue date of the Original Securities: •] [(and increased on [list earlier increases of issue, where applicable: •])] and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a total issue size of •).]</i> [shall be as set out in Table 1 in the Annex to the Product Conditions]
Issue Date	•
Fixing Date	•
Valuation Date	[•][as set out in Table 1 in the Annex to the Product Conditions] If the Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] <i>[insert modified provision, where applicable: •]</i> .

[insert only in case of Italian Uncertificated Certificates:

Expiry Date (Data di Scadenza)	[shall mean the Valuation Date.] [[•] Business Days following the Valuation Date.] [as set out in Table 1 in the Annex to the Product Conditions] [•]]										
Maturity Date	[•][as set out in Table 1 in the Annex to the Product Conditions]										
Product Features	means the Underlying, the Reverse Level, the Bonus Level, [for Cap: , the Cap] and the Barrier.										
Underlying	<i>[insert description of Underlying: •]</i> [shall be as set out in Table 1 in the Annex to the Product Conditions] <i>[In the case of shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities and indices as the Underlying, insert:</i> <table> <tr> <td>[ISIN Underlying:</td><td>[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]</td></tr> <tr> <td>[[Bloomberg][•] symbol:</td><td>[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]</td></tr> <tr> <td>[Reference Agent:</td><td>[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]</td></tr> <tr> <td>[Derivatives Exchange:</td><td>[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]</td></tr> <tr> <td>[Currency:</td><td>[•] [as set out for the respective Underlying in</td></tr> </table>	[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]	[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]	[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]	[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]	[Currency:	[•] [as set out for the respective Underlying in
[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]										
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]										
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]										
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]										
[Currency:	[•] [as set out for the respective Underlying in										

Table 2 in the Annex to the Product Conditions]]

*[In the case of **indices** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one index point corresponds to one unit of the Currency of the Underlying.]]

*[In the case of **bonds** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Derivatives Exchange: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **commodities** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Unit of Measurement: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **futures or interest rate futures** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product

Conditions]]

[Derivatives Exchange: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **interest rate futures** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one percentage point in the pricing of the Underlying by the Reference Agent shall correspond to one unit of the Currency of the Underlying.]]

*[In the case of **exchange rates** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Base Currency / Strike Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[The "Currency of the Underlying" shall correspond to the Strike Currency.]]

*[In the case of **interest rates** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **investment units** as the Underlying, insert:*

.....

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **virtual currencies** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] Symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Base Currency / Strike Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Page:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

[All references to • should be understood as references to *[insert details of the Currency: •.]*]

Initial Reference Price	[•] [as set out in Table 1 in the Annex to the Product Conditions]
Reverse Level	[•] [as set out in Table 1 in the Annex to the Product Conditions]
Bonus Level	[•] [as set out in Table 1 in the Annex to the Product Conditions]
Bonus Amount	[•] [means the product of (1) the Nominal Amount and (2) the difference, divided by the Initial Reference Price, between the Reverse Level and the Bonus Level.]
Barrier	[•] [as set out in Table 1 in the Annex to the Product Conditions]
Barrier Event	A Barrier Event shall occur if <i>[except for Pro:</i> the Observation Price of the Underlying is [equal to or] above the Barrier at least once on an Exchange Day within the Observation Period.] <i>[for Pro:</i> the Reference Price of the Underlying is [equal to or] above the Barrier on the Valuation Date.] <i>[insert alternative definition of a Barrier Event: •]]</i>

[For Reverse Bonus Cap (Pro) Certificates, insert:

Cap	[●] [as set out in Table 1 in the Annex to the Product Conditions]
Maximum Amount	[●] [means the product of (1) the Nominal Amount and (2) the difference, divided by the Initial Reference Price, between the Reverse Level and the Cap.]] [shall be as set out in Table 1 in the Annex to the Product Conditions]
<i>[Insert, except for Pro:</i>	
Observation Period	[The Observation Period [shall be from ● to ● (first day and last day inclusive in each case)] [shall be on ●] [shall correspond to the Term] [shall begin on [●] and end on the Valuation Date (inclusive in each case).] [shall be as set out in Table 1 in the Annex to the Product Conditions (first day and last day inclusive in each case)] <i>[insert alternative Observation Period: ●]</i>
Observation Price	shall mean <i>[in the case of shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities, indices, futures or interest rate futures as the Underlying, insert:</i> the price of the Underlying determined and published by the Reference Agent.] <i>[in the case of bonds, commodities or interest rates as the Underlying, insert:</i> the price of the Underlying in the interbank market as determined by the Calculation Agent in its reasonable discretion <i>[for Securities subject to German law: (sections 315, 317 BGB)].]</i> <i>[in the case of exchange rates as the Underlying, insert:</i> each price of the Underlying on the international interbank market at the Valuation Time determined by the Calculation Agent during the Observation Period in its reasonable discretion <i>[for Securities subject to German law: (sections 315, 317 BGB)]</i> taking account of the bid and offer prices on the relevant screen page of the Bloomberg financial information service.] <i>[in the case of investment units as the Underlying, insert:</i> [the price of the Underlying determined and published by the Reference Agent.][the official net asset value for the Underlying, as calculated and published by the Reference Agent and at which it is actually possible to redeem the Underlying.]] <i>[insert alternative definition of the Observation Price for an Underlying: ●]</i> [as set out in Table 1 in the Annex to the Product Conditions] [For the purpose of determining the occurrence of a Barrier Event, each Observation Price of the Underlying during the Observation Period shall be relevant.]]
Redemption Style	Cash settlement
Redemption at Maturity	The redemption of the Securities on the Maturity Date (section 3 of the General Conditions) shall be determined <i>[Securities with Collateralisation (COSI):</i> – subject to the occurrence of a Liquidation Event pursuant to section 14 of the General Conditions –] in accordance with the following paragraphs. <i>[Reverse Bonus Certificates and Reverse Bonus Pro Certificates:</i> (a) If a Barrier Event has occurred, the Issuer shall pay a cash settlement equal to the higher of the following values: (i) the Bonus Amount, or

(ii) the product of (1) the Nominal Amount and (2) the difference, divided by the Initial Reference Price, between the Reverse Level and the Reference Price of the Underlying on the Valuation Date.

- (b) If a Barrier Event has occurred, the Issuer shall pay a cash settlement equal to the product of (1) the Nominal Amount and (2) the difference, divided by the Initial Reference Price, between the Reverse Level and the Reference Price of the Underlying on the Valuation Date, with the proviso that the cash settlement may not be negative.]

[Reverse Bonus Cap Certificates and Reverse Bonus Cap Pro Certificates:

- (a) If a Barrier Event has occurred, the Issuer shall pay a cash settlement equal to the higher of the following values:

(i) the Bonus Amount, or

(ii) the product of (1) the Nominal Amount and (2) the difference, divided by the Initial Reference Price, between the Reverse Level and the Reference Price of the Underlying on the Valuation Date, with the proviso that the cash settlement shall not exceed the Maximum Amount.

- (b) If a Barrier Event has occurred, the Issuer shall pay a cash settlement equal to the product of (1) the Nominal Amount and (2) the difference, divided by the Initial Reference Price, between the Reverse Level and the Reference Price of the Underlying on the Valuation Date. In this context, the cash settlement may not be negative *[except for Pro: and shall not exceed the Maximum Amount]*.

Reference Price

The Reference Price shall be the relevant rate, price or level of the Underlying for the purpose of determining and calculating the Cash Amount and shall be determined as follows:

Reference Price means

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

[(a) the value of the Underlying determined and published as the closing price on the Reference Agent]

[(a) the price of the Underlying displayed on page [screen page: •] at the Valuation Time and obtainable from there].

[, and (b) in the absence of such price display, the arithmetical mean of the [bid prices] [offer prices] for the Underlying determined and notified at the request of the Calculation Agent by 5 leading market participants that are not affiliated companies of the Issuer or of the Calculation Agent]

[, and with the addition of interest accrued on the Underlying (if the interest is not included in the price determined)].]

*[in the case of **commodities** as the Underlying, insert:*

the price of the Underlying determined by the Reference Agent [at the Valuation Time].]

*[in the case of **futures or interest rate futures** as the Underlying, insert:*

the settlement price of the Underlying determined and published on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

the exchange rate determined by the Reference Agent at the Valuation Time and then published on the Reference Page. If the Base Currency of the Underlying (as specified above under "Underlying") is not EUR (euros), then the Calculation Agent shall

calculate the Reference Price by dividing the respective exchange rate between EUR and the Strike Currency determined by the Reference Agent at the Valuation Time by the exchange rate between EUR and the Base Currency.]

*[in the case of **interest rates** as the Underlying, insert:*

the interest rate [determined by the Reference Agent and] published on the Reference Page [at the Valuation Time].]

*[in the case of **investment units** as the Underlying, insert:*

the value of the Underlying determined and published by the Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

the price of the Underlying determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of the prices set for the Underlying on the Reference Agents during the Valuation Date.]

[insert modified provision relating to the determination of the Reference Price, where applicable: ●]

Exchange Day

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

A day on which the Underlying is calculated by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

A day on which [trading in the Underlying takes place on the Reference Agent] [bid and offer prices for the Underlying are set by at least 3 leading market participants].]

*[in the case of **commodities** as the Underlying, insert:*

A day on which the interbank market for the Underlying is open and on which a price for the Underlying is calculated by the Reference Agent.]

*[in the case of **futures or interest rate futures** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

*[in the case of **interest rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

*[in the case of **investment units** as the Underlying, insert:*

A day on which the value of the Underlying is normally determined by the respective Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

A day on which the Reference Agents normally determine a price for the Underlying.]

[insert modified definition of Exchange Day, where applicable: ●]

Currency Conversion

[if currency hedging (Quanto) is not provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency in accordance with the Conversion Rate.

"Conversion Rate" means

[the relevant conversion rate as determined for the Valuation Date by Bloomberg L.P. at around 2:00 p.m. (local time in Frankfurt am Main) and published on the web page <http://www.bloomberg.com/markets/currencies/fx-fixings>.]

[insert different definition of the Conversion Rate, where applicable: •]

[insert additionally, where applicable: If such conversion rate is not determined or published [or if the method of calculation of such conversion rate is materially modified or the normal publication time is changed by more than 30 minutes], the Calculation Agent shall determine the Conversion Rate applicable on the Valuation Date at the time of determination of the Reference Price in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].]

[if currency hedging (Quanto) is provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency. The conversion shall use a Conversion Rate of 1:1, i.e. one unit of the Currency of the Underlying shall correspond to one unit of the Settlement Currency of the Security ("**Quanto Structure**").]

Registry Type	[German Global Certificates] [Swiss Uncertified Securities] [Italian Uncertificated Certificates] [Danish Uncertificated Securities] [Dutch Uncertificated Securities] [Finnish Registered Securities] [French Dematerialized Bearer Securities] [Norwegian Registered Securities] [Swedish Registered Securities]
Guarantor	[Vontobel Holding AG, Zurich (the Swiss Guarantor)] [Bank Vontobel Europe AG, Munich (the German Guarantor)]
Applicable Adjustment and Market Disruption Provisions	The rules for Adjustments and Market Disruption Events for [shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities] [indices] [bonds] [commodities] [futures or interest rate futures] [exchange rates] [interest rates] [investment units] [virtual currencies] specified in section 6 and section 7 of the General Conditions shall apply to this Security.
Extraordinary Right of Termination of the Issuer	Applicable ([excluding][including] Hedging Disruption Events)
Securities with Collateralisation	[The Securities will not be collateralised, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall not be applicable.] [The Securities shall be collateralised, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall be applicable. Method for determining the Current Value of the Security: [Method A: Fair Value procedure] [Method B: Bond Floor procedure]

8.2.7 Product Conditions for (Best Entry) (Protect (Pro)) Fix Coupon Express Certificates/Notes

[

[insert only in case of multiple series of Securities:

ISIN [/ WKN] [/ Valor] [/ *insert* [• [/ •] [/ •] [/ *insert another securities identification number, if any: •*] [as set out in Table 1 in another securities identification the Annex to the Product Conditions]]
number, if any: •]

Type of Security	[Best Entry] [Protect [Pro]] Fix Coupon Express [Certificates][Notes] [Quanto] [with Collateralisation (COSI)]

Settlement Currency	of the Securities shall be [•][shall be as set out in Table 1 in the Annex to the Product Conditions]. [All references to • should be understood as references to <i>[insert details of the Currency: •]</i>]

[Issue Size [(up to)]	[•] <i>[in the case of an increase of issue, insert additionally:]</i> , which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on <i>[insert issue date of the Original Securities: •]</i> [(and increased on <i>[list earlier increases of issue, where applicable: •]</i>)] and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a total issue size of •).] [shall be as set out in Table 1 in the Annex to the Product Conditions]

Nominal Amount	•

[Total Nominal Amount (up to)	• <i>[in the case of an increase of issue, insert additionally:]</i> , which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on <i>[insert issue date of the Original Securities: •]</i> [(and increased on <i>[list earlier increases of issue, where applicable: •]</i>)] and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a cumulative Total Nominal Amount of •).]

Issue Date	•

[Fixing Date	•]

Final Valuation Date	[•][as set out in Table 1 in the Annex to the Product Conditions] [If the Final Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] <i>[insert modified provision, where applicable: •]</i> .]

Valuation Date [(n)]	[•][as set out in Table 1 in the Annex to the Product Conditions] [means each Exchange Day beginning from the • and ending with the [Final Valuation Date] <i>[insert different date, where applicable: •]</i> (in each case inclusive)]. [If a Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] <i>[insert modified provision, where applicable: •]</i> .]

[Early Redemption Date [(n)]	[•] [means the Early Redemption Date (n) allocated to the respective Valuation Date (n), as listed below: <i>[insert table]</i> .]

[insert only in case of Italian Uncertificated Certificates:

Expiry Date (<i>Data di Scadenza</i>)	[shall mean the Valuation Date.] [[•] Business Days following the Valuation Date.] [as set out in Table 1 in the Annex to the Product Conditions] [•]]

Maturity Date	[•][as set out in Table 1 in the Annex to the Product Conditions]

Product Features	means the Underlying, the Strike <i>[for Barrier: , the Barrier]</i> [.,][and] the Redemption Level] [.,][and] the Redemption Levels] [and the Ratio].

Underlying	<i>[insert description of Underlying: •]</i> [shall be as set out in Table 1 in the Annex to the

Product Conditions]

*[In the case of **shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities and indices** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **indices** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one index point corresponds to one unit of the Currency of the Underlying.]]

*[In the case of **bonds** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **commodities** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Unit of Measurement:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **futures or interest rate futures** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table

2 in the Annex to the Product Conditions]]

[Derivatives Exchange: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **interest rate futures** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one percentage point in the pricing of the Underlying by the Reference Agent shall correspond to one unit of the Currency of the Underlying.]]

*[In the case of **exchange rates** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Base Currency / Strike Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[The "Currency of the Underlying" shall correspond to the Strike Currency.]]

*[In the case of **interest rates** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **investment units** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **virtual currencies** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg]] [●] Symbol:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Base Currency / Strike Currency:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Page:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

[All references to ● should be understood as references to *[insert details of the Currency: ●]*.]

*[in the event that for **futures** or **interest rate futures** as the Underlying a Rollover is stipulated, insert additionally:*

Underlying on the Issue Date	<i>[insert description of the contract at the time of issue: ●]</i> Bloomberg Symbol: <i>[insert description of the Bloomberg symbol of the relevant contract at the time of issue: ●]</i>
Current Underlying	[On each Rollover Date a Rollover procedure shall be carried out whereby the Issuer replaces the respective Current Underlying with another Underlying (future) which, except for the expiry date which is further in the future, has the same or comparable contract specifications. The " Current Underlying " from the Issue Date until the first Rollover Date means the " Underlying on the Issue Date ", as specified above. On the first Rollover Date this Underlying shall lose its validity and shall be replaced by the Underlying falling due on the Reference Agent in the next following Rollover Month. On each subsequent Rollover Date, the Current Underlying shall be replaced analogously by the underlying contract falling due on the Reference Agent in the next following Rollover Month.] <i>[insert modified provision relating to the Rollover, where applicable: ●]</i>
Rollover Date	[shall be determined in each case by the Calculation Agent in its reasonable discretion <i>[for Securities subject to German law: (sections 315, 317 BGB)]</i> and shall fall within a period of ten trading days prior to the last trading day of the Current Underlying on the Reference Agent. [In the event that the first notice day of the Current Underlying is before its last trading day, the period for the Rollover Date shall begin ten trading days prior to the first notice day and shall end with the last trading day of the Current Underlying.] <i>[insert alternative definition of a Rollover Date: ●]</i>
Rollover Month[s]	<i>[insert corresponding contract months: ●]</i> [means each contract month defined in relation to the Underlying on the Reference Agent].]
Initial Reference Price	[●] [as set out in Table 1 in the Annex to the Product Conditions] <i>[for Best Entry: means [the lowest [Reference Price] [Best Entry Price] of the Underlying during the Best Entry Observation Period][insert alternative definition, where applicable: ●].</i> The Initial Reference Price shall be notified without undue delay after the Fixing Date pursuant to section 12 of the General Conditions.]
<i>[for Best Entry:</i>	
Best Entry Observation Period	Best Entry Observation Period [shall begin on the Issue Date and shall end on the Fixing Date (in each case inclusive)] [shall begin and end as set out in Table 1 in the Annex to the Product Conditions] <i>[insert alternative Best Entry Observation Period, where applicable: ●].</i>
[Best Entry Price	Best Entry Price [shall correspond to the Observation Price]

	[shall begin and end as set out in Table 1 in the Annex to the Product Conditions] [insert alternative definition of the Best Entry Price for an Underlying, where applicable: •.]
Strike	• [as set out in Table 1 in the Annex to the Product Conditions]
Ratio	• (corresponding to the Nominal Amount divided by the Strike) [shall be determined on the Fixing Date and shall correspond to the Nominal Amount divided by the Strike] [shall be as set out in Table 1 in the Annex to the Product Conditions] [insert alternative method for determining the Ratio, where applicable: •.]
Early Redemption	Early Redemption of the Securities is possible, i.e. the provisions of section 4 of the General Conditions are applicable.
Redemption Event	A Redemption Event shall occur if [the [Reference Price][Observation Price] of the Underlying is [equal to or] higher than the [relevant] Redemption Level [(n)] [at least once] on a Valuation Date [(n)].] [insert alternative provision for the occurrence of a Redemption Event: •]
Redemption Level [(n)]	• [as set out in Table 1 in the Annex to the Product Conditions] [means the Redemption Level (n) allocated to the respective Valuation Date (n), as listed below: [insert table].]
[Final Redemption Level]	• [as set out in Table 1 in the Annex to the Product Conditions]
[Redemption Factor [(n)]]	• [as set out in Table 1 in the Annex to the Product Conditions] [means the Redemption Factor (n) allocated to the respective Valuation Date (n), as listed below: [insert table].]
Early Redemption Amount	The Early Redemption Amount shall correspond to [the Nominal Amount] [the higher of the following two amounts: • Nominal Amount; • Nominal Amount multiplied by the Performance of the Underlying] [the Nominal Amount multiplied by the Redemption Factor [(n)]]].
[for Protect:	
Barrier	• [as set out in Table 1 in the Annex to the Product Conditions]
Barrier Event	A Barrier Event shall occur if [except for Pro: the Observation Price of the Underlying is [equal to or] below the Barrier at least once on an Exchange Day within the Observation Period.] [for Pro: the Reference Price of the Underlying is [equal to or] below the Barrier on the Final Valuation Date.] [insert alternative definition of a Barrier Event: •]]
[for Protect, except for Pro, insert:	
Observation Period	The Observation Period [shall be from • to • (first day and last day inclusive in each case)] [shall be on •] [shall correspond to the Term] [shall begin on •] and end on the Final Valuation Date (inclusive in each case). [shall be as set out in Table 1 in the Annex to the Product Conditions (first day and last day

inclusive in each case)]

[insert alternative Observation Period: •]

[for Protect, except for Pro, insert in all cases and for Protect Pro insert where applicable:

Observation Price

shall mean

[in the case of **shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities, indices, futures or interest rate futures** as the Underlying, insert:

the price of the Underlying determined and published by the Reference Agent.]

[in the case of **bonds, commodities or interest rates** as the Underlying, insert:

the price of the Underlying in the interbank market as determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].]

[in the case of **exchange rates** as the Underlying, insert:

each price of the Underlying on the international interbank market at the Valuation Time determined by the Calculation Agent during the Observation Period in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of the bid and offer prices on the relevant screen page of the Bloomberg financial information service.]

[in the case of **investment units** as the Underlying, insert:

[the price of the Underlying determined and published by the Reference Agent.][the official net asset value for the Underlying, as calculated and published by the Reference Agent and at which it is actually possible to redeem the Underlying.]]

[insert alternative definition of the Observation Price for an Underlying: •]

[as set out in Table 1 in the Annex to the Product Conditions]

[For the purpose of determining the occurrence of a Barrier Event, each Observation Price of the Underlying during the Observation Period shall be relevant.]]

Redemption Style

[cash settlement] [(physical) delivery]

[in the event that Unconditional Bonus Payments are provided for (section 5 (6) of the General Conditions), insert:

Bonus Payment Type

Unconditional Bonus Payment. The provisions of section 5 (6) of the General Conditions for Unconditional Bonus Payments shall apply.

Bonus Amount

•

[Bonus Record Date

•]

Bonus Payment Date

•]

[in the event that interest is payable (section 5 (1) to (5) of the General Conditions), insert:

Interest Type

[Fixed Interest] [Variable Interest]

Interest Commencement Date

[•][as set out in Table 1 in the Annex to the Product Conditions]

Interest Payment Date(s):

[•][as set out in Table 1 in the Annex to the Product Conditions]

Business Day Convention

[following] [modified following], [adjusted] [unadjusted]

Interest Calculation Method

[30/360] [act/360] [act/365] [act/act]

[for fixed interest, insert:

Interest Rate [●][as set out in Table 1 in the Annex to the Product Conditions]]

[for variable interest, insert:

Reference Interest Rate [insert name / description / identification: ●] [as set out in Table 1 in the Annex to the Product Conditions]

Screen Page: ●

[Spread [●][as set out in Table 1 in the Annex to the Product Conditions]]

[Multiplication Factor [●][as set out in Table 1 in the Annex to the Product Conditions]]

[Floor ●]

[Cap [●] [as set out in Table 1 in the Annex to the Product Conditions]]

Interest Determination Date shall refer to the [● Business Day preceding the [start] [end]] [first day] of the respective Interest Period.]]

Redemption at Maturity The redemption of the Securities on the Maturity Date (section 3 of the General Conditions) shall be determined – subject to Early Redemption pursuant to section 4 of the General Conditions

[Securities with Collateralisation (COSI):

and subject to the occurrence of a Liquidation Event pursuant to section 14 of the General Conditions]

– in accordance with the following paragraphs.

[Fix Coupon Express Certificates/Notes with cash settlement Redemption Style:

(a) The investor shall receive payment of the Nominal Amount, if the Reference Price of the Underlying is [equal to or] above the [Strike] [Final Redemption Level] on the Final Valuation Date.

(b) The Issuer shall pay a cash settlement, if the Reference Price of the Underlying is [equal to or] below the [Strike] [Final Redemption Level] on the Final Valuation Date.

The cash settlement shall be calculated from the Nominal Amount multiplied by the Performance of the Underlying.]

[Fix Coupon Express Certificates/Notes with (physical) delivery Redemption Style:

(a) The investor shall receive payment of the Nominal Amount, if the Reference Price of the Underlying is [equal to or] above the [Strike] [Final Redemption Level] on the Final Valuation Date.

(b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if the Reference Price of the Underlying is [equal to or] below the [Strike] [Final Redemption Level] on the Final Valuation Date.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. [only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons [for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below], the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Protect Fix Coupon Express Certificates/Notes with cash settlement Redemption Style:

- (a) The investor shall receive payment of the Nominal Amount,
 - (i) if a Barrier Event has not occurred or,
 - (ii) if a Barrier Event has occurred, but the Reference Price of the Underlying on the Final Valuation Date is [equal to or] above the [Strike] [Final Redemption Level].
- (b) The Issuer shall pay a cash settlement, if a Barrier Event has occurred and the Reference Price of the Underlying is [equal to or] below the [Strike] [Final Redemption Level] on the Final Valuation Date.

The cash settlement shall be calculated from the Nominal Amount multiplied by the Performance of the Underlying.]

[Protect Fix Coupon Express Certificates/Notes with (physical) delivery Redemption Style:

- (a) The investor shall receive payment of the Nominal Amount,
 - (i) if a Barrier Event has not occurred or,
 - (ii) if a Barrier Event has occurred, but the Reference Price of the Underlying on the Final Valuation Date is [equal to or] above the [Strike] [Final Redemption Level].
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred and the Reference Price of the Underlying is [equal to or] below the [Strike] [Final Redemption Level] on the Final Valuation Date.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Protect Pro Fix Coupon Express Certificates/Notes with cash settlement Redemption Style:

- (a) The investor shall receive payment of the Nominal Amount, if a Barrier Event has not occurred.
- (b) The Issuer shall pay a cash settlement, if a Barrier Event has occurred.

The cash settlement shall be calculated from the Nominal Amount multiplied by the Performance of the Underlying.]

[Protect Pro Fix Coupon Express Certificates/Notes with (physical) delivery Redemption Style:

- (a) The investor shall receive payment of the Nominal Amount, if a Barrier Event has not occurred.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall*

be excluded.]

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons [*for investment units as the Deliverable Asset, insert where applicable:* or it is not possible to determine the NAV in accordance with the definition below], the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

Reference Price

The Reference Price shall be the relevant rate, price or level of the Underlying for the purpose of determining and calculating the (Early) Redemption of the Securities and shall be determined as follows:

Reference Price means

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

[(a) the value of the Underlying determined and published as the closing price on the Reference Agent]

[(a) the price of the Underlying displayed on page [*screen page: •*] at the Valuation Time and obtainable from there].

[, and (b) in the absence of such price display, the arithmetical mean of the [bid prices] [offer prices] for the Underlying determined and notified at the request of the Calculation Agent by 5 leading market participants that are not affiliated companies of the Issuer or of the Calculation Agent]

[, and with the addition of interest accrued on the Underlying (if the interest is not included in the price determined)].]

*[in the case of **commodities** as the Underlying, insert:*

the price of the Underlying determined by the Reference Agent [at the Valuation Time].]

*[in the case of **futures or interest rate futures** as the Underlying, insert:*

the settlement price of the Underlying determined and published on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

the exchange rate determined by the Reference Agent at the Valuation Time and then published on the Reference Page. If the Base Currency of the Underlying (as specified above under "Underlying") is not EUR (euros), then the Calculation Agent shall calculate the Reference Price by dividing the respective exchange rate between EUR and the Strike Currency determined by the Reference Agent at the Valuation Time by the exchange rate between EUR and the Base Currency.]

*[in the case of **interest rates** as the Underlying, insert:*

the interest rate [determined by the Reference Agent and] published on the Reference Page [at the Valuation Time].]

*[in the case of **investment units** as the Underlying, insert:*

the value of the Underlying determined and published by the Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

the price of the Underlying determined by the Calculation Agent in its reasonable discretion [*for Securities subject to German law: (sections 315, 317 BGB)*] taking account of the prices set for the Underlying on the Reference Agents during the Valuation Date.]

[insert modified provision relating to the determination of the Reference Price, where applicable: •]

Exchange Day	<i>[in the case of shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities as the Underlying, insert:</i> A day on which trading in the Underlying takes place on the Reference Agent.] <i>[in the case of indices as the Underlying, insert:</i> A day on which the Underlying is calculated by the Reference Agent.] <i>[in the case of bonds as the Underlying, insert:</i> A day on which [trading in the Underlying takes place on the Reference Agent] [bid and offer prices for the Underlying are set by at least 3 leading market participants].] <i>[in the case of commodities as the Underlying, insert:</i> A day on which the interbank market for the Underlying is open and on which a price for the Underlying is calculated by the Reference Agent.] <i>[in the case of futures or interest rate futures as the Underlying, insert:</i> A day on which trading in the Underlying takes place on the Reference Agent.] <i>[in the case of exchange rates as the Underlying, insert:</i> A day on which the Reference Agent normally fixes a price for the Underlying.] <i>[in the case of interest rates as the Underlying, insert:</i> A day on which the Reference Agent normally fixes a price for the Underlying.] <i>[in the case of investment units as the Underlying, insert:</i> A day on which the value of the Underlying is normally determined by the respective Reference Agent.] <i>[In the case of virtual currencies as the Underlying, insert:</i> A day on which the Reference Agents normally determine a price for the Underlying.] <i>[insert modified definition of Exchange Day, where applicable: ●]</i>

[for physical delivery only, insert:

Deliverable Asset	[Underlying][investment units][index certificates][ETPs]

[for the Underlying as the Deliverable Asset, insert:

Number of the Deliverable Asset	[shall correspond to the Ratio.] [shall be as set out in Table 1 in the Annex to the Product Conditions.] <i>[insert alternative method for determining the Number of the Deliverable Asset, where applicable: ●]</i>

[for investment units as the Deliverable Asset, insert:

Investment Unit	refers to a unit [in][of] <i>[insert description of the Fund including, inter alia, the fund company, the securities identification number(s): ●]</i> [as set out in Table 1 in the Annex to the Product Conditions] (the " Fund ").

Number of the Deliverable Asset	shall be determined on the Final Valuation Date and [shall correspond] [to the quotient of (i) the Reference Price of the Underlying on the Final Valuation Date multiplied by the Ratio and (ii) the NAV of the Investment Unit on the Final Valuation Date; expressed as a formula:

$$\text{Number of the Deliverable Asset} = \frac{M \times RP_{\text{Underlying}}}{NAV_{\text{Investment Unit}}}$$

, where:

$RP_{\text{Underlying}}$ = Reference Price of the Underlying on the Final Valuation Date,

M = Ratio, and

NAV_{Investment Unit} = NAV of the Investment Unit on the Final Valuation Date.]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method of calculating the Number of the Deliverable Asset, where applicable: •]

NAV of the Investment Unit means [the net asset value of the Investment Unit calculated on a Business Day by the custodian bank specified in the Information Document and published on the Fund's website *[(specify website, if known: •)]*. If the net asset value is not calculated on the Final Valuation Date, then the NAV shall be the net asset value of the Investment Unit calculated by the aforementioned agent and published on the next following Business Day.] *[insert alternative definition of the NAV, where applicable: •]*

Information Document means the sales prospectus or other prospectus prepared with respect to the Investment Unit or the information memorandum prepared with respect to the Investment Unit, as amended respectively.]

[for index certificates and ETPs as the Deliverable Asset, insert:]

[Index Certificates] [ETPs] means the *[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: •]* [as set out in Table 1 in the Annex to the Product Conditions] (the "[Index Certificates] [ETPs]").

Number of the Deliverable Asset [• (corresponding to the Ratio divided by the Investment Ratio of the [Index Certificates][ETPs])]

[shall be determined on the Fixing Date and shall correspond to the Ratio divided by the Investment Ratio of the [Index Certificates][ETPs]]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method for determining the Number of the Deliverable Asset, where applicable: •].

Investment Ratio • (as specified in the Information Document).

Information Document means the securities prospectus or other prospectus prepared with respect to the [Index Certificates][ETPs] or the information memorandum prepared with respect to the [Index Certificates][ETPs], as amended respectively.]

Fractional Amount shall correspond to the amount determined by multiplying the fraction of the Number of the Deliverable Asset by

[in the event that the Underlying is delivered, insert: the Reference Price of the Underlying on the Final Valuation Date]

[in the event that Investment Units are delivered, insert: the NAV on the Final Valuation Date]

[in the event that Index Certificates or ETPs are delivered, insert: the Reference Price of the Underlying on the Final Valuation Date [multiplied by the][divided by the] Investment Ratio of the [Index Certificates][ETPs]]

[insert alternative method for determining the Fractional Amount, where applicable: •].

Monetary Value shall correspond

[in the event that the Underlying or Index Certificates or ETPs are delivered, insert: to the Reference Price of the Underlying on the Final Valuation Date multiplied by the Ratio]

[in the event that Investment Units are delivered, insert: to the NAV on the Final Valuation Date multiplied by the Ratio]

[insert alternative method for determining the Monetary Value, where applicable: •].

Performance	[of the Underlying shall correspond to the quotient of (i) the Reference Price of the Underlying on the Final Valuation Date and (ii) the [Strike][Initial Reference Price] of the Underlying, expressed as a percentage.] [as set out in Table 1 in the Annex to the Product Conditions]]
Currency Conversion	<i>[if currency hedging (Quanto) is not provided for, insert:</i> All monetary amounts payable under the Securities shall be converted into the Settlement Currency in accordance with the Conversion Rate. "Conversion Rate" means [the relevant conversion rate as determined for the Valuation Date by Bloomberg L.P. at around 2:00 p.m. (local time in Frankfurt am Main) and published on the web page http://www.bloomberg.com/markets/currencies/fix-fixings.] <i>[insert different definition of the Conversion Rate, where applicable: •]</i> <i>[insert additionally, where applicable: If such conversion rate is not determined or published [or if the method of calculation of such conversion rate is materially modified or the normal publication time is changed by more than 30 minutes], the Calculation Agent shall determine the Conversion Rate applicable on the Valuation Date at the time of determination of the Reference Price in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].]</i> <i>[if currency hedging (Quanto) is provided for, insert:</i> All monetary amounts payable under the Securities shall be converted into the Settlement Currency. The conversion shall use a Conversion Rate of 1:1, i.e. one unit of the Currency of the Underlying shall correspond to one unit of the Settlement Currency of the Security ("Quanto Structure").]
Registry Type	[German Global Certificates] [Swiss Uncertified Securities] [Italian Uncertificated Certificates] [Danish Uncertificated Securities] [Dutch Uncertificated Securities] [Finnish Registered Securities] [French Dematerialized Bearer Securities] [Norwegian Registered Securities] [Swedish Registered Securities]
Guarantor	[Vontobel Holding AG, Zurich (the Swiss Guarantor)] [Bank Vontobel Europe AG, Munich (the German Guarantor)]
Applicable Adjustment and Market Disruption Provisions	The rules for Adjustments and Market Disruption Events for [shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities] [indices] [bonds] [commodities] [futures or interest rate futures] [exchange rates] [interest rates] [investment units] [virtual currencies] specified in section 6 and section 7 of the General Conditions shall apply to this Security.
Extraordinary Right of Termination of the Issuer	Applicable ([excluding][including] Hedging Disruption Events)
Securities with Collateralisation	[The Securities will not be collateralised, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall not be applicable.] [The Securities shall be collateralised, i.e. the provisions of section 14 of the General

Conditions for Securities with Collateralisation shall be applicable.

Method for determining the Current Value of the Security:

[Method A: Fair Value procedure]

[Method B: Bond Floor procedure]]

]

8.2.8 Product Conditions for (Best Entry) (Memory) (Protect (Pro)) Express Certificates/Notes

[

[insert only in case of multiple series of Securities:

ISIN [/ WKN] [/ Valor] [/] *[insert • [/ •] [/ •] [/] [insert another securities identification number, if any: •]]* [as set out in Table 1 in another securities identification the Annex to the Product Conditions]]
number, if any: •]

Type of Security [Best Entry] [Memory] [Protect [Pro]] Express [Certificates][Notes] [Quanto] [with Collateralisation (COSI)]

Settlement Currency of the Securities shall be [•][shall be as set out in Table 1 in the Annex to the Product Conditions]. [All references to • should be understood as references to *[insert details of the Currency: •]*.]

[Issue Size [(up to)] [•] *[in the case of an increase of issue, insert additionally: , which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on [insert issue date of the Original Securities: •] [(and increased on [list earlier increases of issue, where applicable: •])] and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a total issue size of •).]* [shall be as set out in Table 1 in the Annex to the Product Conditions]

Nominal Amount •

[Total Nominal Amount (up to)] • *[in the case of an increase of issue, insert additionally: , which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on [insert issue date of the Original Securities: •] [(and increased on [list earlier increases of issue, where applicable: •])] and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a cumulative Total Nominal Amount of •).]*

Issue Date •

[Fixing Date •]

Final Valuation Date [•][as set out in Table 1 in the Annex to the Product Conditions]
 [If the Final Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] *[insert modified provision, where applicable: •]*.]

Valuation Date [(n)] [•][as set out in Table 1 in the Annex to the Product Conditions] [means each Exchange Day beginning from the • and ending with the [Final Valuation Date]*[insert different date, where applicable: •]* (inclusive in each case).
 [If a Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] *[insert modified provision, where applicable: •]*.]

[Early Redemption Date [(n)] [•] [means the Early Redemption Date (n) allocated to the respective Valuation Date (n), as listed below: *[insert table]*.]

[insert only in case of Italian Uncertificated Certificates:

Expiry Date (*Data di Scadenza*) [shall mean the Valuation Date.] [[•] Business Days following the Valuation Date.] [as set out in Table 1 in the Annex to the Product Conditions] [•]]

Maturity Date [•][as set out in Table 1 in the Annex to the Product Conditions]

Product Features means the Underlying, the Strike *[for Barrier: , the Barrier]*, the Redemption Level[, the Redemption Levels] [,.][and] the Bonus Threshold [,.][and] the Bonus Thresholds [and the Ratio].

Underlying *[insert description of Underlying: •]* [shall be as set out in Table 1 in the Annex to the

Product Conditions]

*[In the case of **shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities and indices** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **indices** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one index point corresponds to one unit of the Currency of the Underlying.]]

*[In the case of **bonds** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **commodities** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Unit of Measurement:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **futures or interest rate futures** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table

2 in the Annex to the Product Conditions]]

[Derivatives Exchange: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **interest rate futures** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one percentage point in the pricing of the Underlying by the Reference Agent shall correspond to one unit of the Currency of the Underlying.]]

*[In the case of **exchange rates** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Base Currency / Strike Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[The "Currency of the Underlying" shall correspond to the Strike Currency.]]

*[In the case of **interest rates** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **investment units** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **virtual currencies** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg]] [●] Symbol:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Base Currency / Strike Currency:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Page:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

[All references to ● should be understood as references to *[insert details of the Currency: ●]*.]

*[in the event that for **futures** or **interest rate futures** as the Underlying a Rollover is stipulated, insert additionally:*

Underlying on the Issue Date	<i>[insert description of the contract at the time of issue: ●]</i> Bloomberg Symbol: <i>[insert description of the Bloomberg symbol of the relevant contract at the time of issue: ●]</i>
Current Underlying	[On each Rollover Date a Rollover procedure shall be carried out whereby the Issuer replaces the respective Current Underlying with another Underlying (future) which, except for the expiry date which is further in the future, has the same or comparable contract specifications. The " Current Underlying " from the Issue Date until the first Rollover Date means the " Underlying on the Issue Date ", as specified above. On the first Rollover Date this Underlying shall lose its validity and shall be replaced by the Underlying falling due on the Reference Agent in the next following Rollover Month. On each subsequent Rollover Date, the Current Underlying shall be replaced analogously by the underlying contract falling due on the Reference Agent in the next following Rollover Month.] <i>[insert modified provision relating to the Rollover, where applicable: ●]</i>
Rollover Date	[shall be determined in each case by the Calculation Agent in its reasonable discretion <i>[for Securities subject to German law: (sections 315, 317 BGB)]</i> and shall fall within a period of ten trading days prior to the last trading day of the Current Underlying on the Reference Agent. [In the event that the first notice day of the Current Underlying is before its last trading day, the period for the Rollover Date shall begin ten trading days prior to the first notice day and shall end with the last trading day of the Current Underlying.] <i>[insert alternative definition of a Rollover Date: ●]</i>
Rollover Month[s]	<i>[insert corresponding contract months: ●]</i> [means each contract month defined in relation to the Underlying on the Reference Agent].]
Initial Reference Price	[●] [as set out in Table 1 in the Annex to the Product Conditions] <i>[for Best Entry: means [the lowest [Reference Price] [Best Entry Price] of the Underlying during the Best Entry Observation Period][insert alternative definition, where applicable: ●].</i> The Initial Reference Price shall be notified without undue delay after the Fixing Date pursuant to section 12 of the General Conditions.]
<i>[for Best Entry:</i>	
Best Entry Observation Period	Best Entry Observation Period [shall begin on the Issue Date and shall end on the Fixing Date (inclusive in each case)] [shall begin and end as set out in Table 1 in the Annex to the Product Conditions] <i>[insert alternative Best Entry Observation Period, where applicable: ●].</i>
[Best Entry Price	Best Entry Price [shall correspond to the Observation Price]

	[shall be as set out in Table 1 in the Annex to the Product Conditions]
	<i>[insert alternative definition of the Best Entry Price for an Underlying, where applicable: •.]</i>
Strike	• [as set out in Table 1 in the Annex to the Product Conditions]
Ratio	• (corresponding to the Nominal Amount divided by the Strike) [shall be determined on the Fixing Date and shall correspond to the Nominal Amount divided by the Strike] [shall be as set out in Table 1 in the Annex to the Product Conditions] <i>[insert alternative method for determining the Ratio, where applicable: •.]</i>
Early Redemption	Early Redemption of the Securities is possible, i.e. the provisions of section 4 of the General Conditions are applicable.
Redemption Event	A Redemption Event shall occur if [the [Reference Price][Observation Price] of the Underlying is [equal to or] higher than the [relevant] Redemption Level [(n)] [at least once] on a Valuation Date [(n)].] <i>[insert alternative provision for the occurrence of a Redemption Event: •]</i>
Redemption Level [(n)]	• [as set out in Table 1 in the Annex to the Product Conditions] [means the Redemption Level (n) allocated to the respective Valuation Date (n), as listed below: <i>[insert table].</i>]
[Final Redemption Level]	• [as set out in Table 1 in the Annex to the Product Conditions]
[Redemption Factor [(n)]]	• [as set out in Table 1 in the Annex to the Product Conditions] [means the Redemption Factor (n) allocated to the respective Valuation Date (n), as listed below: <i>[insert table].</i>]
Early Redemption Amount	The Early Redemption Amount shall correspond to [the Nominal Amount] [the higher of the following two amounts: • Nominal Amount; • Nominal Amount multiplied by the Performance of the Underlying] [the Nominal Amount multiplied by the Redemption Factor [(n)]]].
<i>[for Protect:</i>	
Barrier	• [as set out in Table 1 in the Annex to the Product Conditions]
Barrier Event	A Barrier Event shall occur if <i>[except for Pro:</i> the Observation Price of the Underlying is [equal to or] below the Barrier at least once on an Exchange Day within the Observation Period.] <i>[for Pro:</i> the Reference Price of the Underlying is [equal to or] below the Barrier on the Final Valuation Date.] <i>[insert alternative definition of a Barrier Event: •]]</i>
<i>[for Protect, except for Pro, insert:</i>	
Observation Period	The Observation Period [shall be from • to • (first day and last day inclusive in each case)] [shall be on •] [shall correspond to the Term] [shall begin on •] and end on the Final Valuation Date (inclusive in each case).] [shall be as set out in Table 1 in the Annex to the Product Conditions (first day and last day

inclusive in each case)]

[insert alternative Observation Period: ●]

[for Protect, except for Pro, insert in all cases and for Protect Pro insert where applicable:

Observation Price

shall mean

[in the case of **shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities, indices, futures or interest rate futures** as the Underlying, insert:

the price of the Underlying determined and published by the Reference Agent.]

[in the case of **bonds, commodities or interest rates** as the Underlying, insert:

the price of the Underlying in the interbank market as determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].]

[in the case of **exchange rates** as the Underlying, insert:

each price of the Underlying on the international interbank market at the Valuation Time determined by the Calculation Agent during the Observation Period in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of the bid and offer prices on the relevant screen page of the Bloomberg financial information service.]

[in the case of **investment units** as the Underlying, insert:

[the price of the Underlying determined and published by the Reference Agent.][the official net asset value for the Underlying, as calculated and published by the Reference Agent and at which it is actually possible to redeem the Underlying.]]

[insert alternative definition of the Observation Price for an Underlying: ●]

[For the purpose of determining the occurrence of a Barrier Event, each Observation Price of the Underlying during the Observation Period shall be relevant.]]

Redemption Style

[cash settlement] [(physical) delivery]

Bonus Payment Type

Conditional Bonus Payment. The provisions of section 5 (6) of the General Conditions for Conditional Bonus Payments shall apply.

Bonus Event

A Bonus Event shall occur if

[the [Reference Price][Observation Price] of the Underlying is [equal to or] higher than the [relevant] Bonus Threshold [(n)] [at least once] on an Observation Date [(n)].]

[insert alternative provision for the occurrence of a Bonus Event, where applicable: ●]

Bonus Threshold [(n)]

[●][as set out in Table 1 in the Annex to the Product Conditions] [means the Bonus Threshold (n) allocated to the respective Observation Date (n), as listed below: [insert table].]

Observation Date [(n)]

[●][as set out in Table 1 in the Annex to the Product Conditions] [[means each Exchange Day beginning from the ● and ending with the [Final Valuation Date][insert different date, where applicable: ●] (inclusive in each case)].]

[If an Observation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] [insert modified provision, where applicable: ●].]

Memory

[Not applicable. The provisions of section 5 (2) of the General Conditions shall not apply.]

[Applicable. Bonus Payments not made may be paid subsequently pursuant to section 5 (2) of the General Conditions.]

Bonus Amount [(n)]

[●][as set out in Table 1 in the Annex to the Product Conditions] [means the Bonus Amount (n) allocated to the respective Observation Date (n), as listed below: [insert table].]

[Bonus Record Date [(n)]] [●] [means the Bonus Record Date (n) allocated to the respective Observation Date (n), as listed below: *[insert table]*.]

Bonus Payment Date [(n)] [●][as set out in Table 1 in the Annex to the Product Conditions] [means the Bonus Payment Date (n) allocated to the respective Observation Date (n), as listed below: *[insert table]*.]

Redemption at Maturity The redemption of the Securities on the Maturity Date (section 3 of the General Conditions) shall be determined – subject to Early Redemption pursuant to section 4 of the General Conditions

[Securities with Collateralisation (COSI):

and subject to the occurrence of a Liquidation Event pursuant to section 14 of the General Conditions]

– in accordance with the following paragraphs.

[Express Certificates/Notes with cash settlement Redemption Style:

(a) The investor shall receive payment of the Nominal Amount, if the Reference Price of the Underlying is [equal to or] above the [Strike] [Final Redemption Level] on the Final Valuation Date.

(b) The Issuer shall pay a cash settlement, if the Reference Price of the Underlying is [equal to or] below the [Strike] [Final Redemption Level] on the Final Valuation Date.

The cash settlement shall be calculated from the Nominal Amount multiplied by the Performance of the Underlying.]

[Express Certificates/Notes with (physical) delivery Redemption Style:

(a) The investor shall receive payment of the Nominal Amount, if the Reference Price of the Underlying is [equal to or] above the [Strike] [Final Redemption Level] on the Final Valuation Date.

(b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if the Reference Price of the Underlying is [equal to or] below the [Strike] [Final Redemption Level] on the Final Valuation Date.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Protect Express Certificates/Notes with cash settlement Redemption Style:

(a) The investor shall receive payment of the Nominal Amount,

(i) if a Barrier Event has not occurred or,

(ii) if a Barrier Event has occurred, but the Reference Price of the Underlying on the Final Valuation Date is [equal to or] above the [Strike] [Final Redemption Level].

(b) The Issuer shall pay a cash settlement, if a Barrier Event has occurred and the Reference Price of the Underlying is [equal to or] below the [Strike] [Final Redemption Level] on the Final Valuation Date.

The cash settlement shall be calculated from the Nominal Amount multiplied by the Performance of the Underlying.]

[Protect Express Certificates/Notes with (physical) delivery Redemption Style:

- (a) The investor shall receive payment of the Nominal Amount,
 - (i) if a Barrier Event has not occurred or,
 - (ii) if a Barrier Event has occurred, but the Reference Price of the Underlying on the Final Valuation Date is [equal to or] above the [Strike] [Final Redemption Level].
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred and the Reference Price of the Underlying is [equal to or] below the [Strike] [Final Redemption Level] on the Final Valuation Date.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Protect Pro Express Certificates/Notes with cash settlement Redemption Style:

- (a) The investor shall receive payment of the Nominal Amount, if a Barrier Event has not occurred.
- (b) The Issuer shall pay a cash settlement, if a Barrier Event has occurred.

The cash settlement shall be calculated from the Nominal Amount multiplied by the Performance of the Underlying.]

[Protect Pro Express Certificates/Notes with (physical) delivery Redemption Style:

- (a) The investor shall receive payment of the Nominal Amount, if a Barrier Event has not occurred.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

Reference Price

The Reference Price shall be the relevant rate, price or level of the Underlying for the purpose of determining and calculating the (Early) Redemption of the Securities *[in the case of Conditional Bonus Payments: or for the purpose of determining whether the conditions for a Bonus Payment are met,]* and shall be determined as follows:

Reference Price means

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

[(a) the value of the Underlying determined and published as the closing price on the Reference Agent]

[(a) the price of the Underlying displayed on page [screen page: ●] at the Valuation Time and obtainable from there].

[, and (b) in the absence of such price display, the arithmetical mean of the [bid prices] [offer prices] for the Underlying determined and notified at the request of the Calculation Agent by 5 leading market participants that are not affiliated companies of the Issuer or of the Calculation Agent]

[, and with the addition of interest accrued on the Underlying (if the interest is not included in the price determined)].]

*[in the case of **commodities** as the Underlying, insert:*

the price of the Underlying determined by the Reference Agent [at the Valuation Time].]

*[in the case of **futures** or **interest rate futures** as the Underlying, insert:*

the settlement price of the Underlying determined and published on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

the exchange rate determined by the Reference Agent at the Valuation Time and then published on the Reference Page. If the Base Currency of the Underlying (as specified above under "Underlying") is not EUR (euros), then the Calculation Agent shall calculate the Reference Price by dividing the respective exchange rate between EUR and the Strike Currency determined by the Reference Agent at the Valuation Time by the exchange rate between EUR and the Base Currency.]

*[in the case of **interest rates** as the Underlying, insert:*

the interest rate [determined by the Reference Agent and] published on the Reference Page [at the Valuation Time].]

*[in the case of **investment units** as the Underlying, insert:*

the value of the Underlying determined and published by the Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

the price of the Underlying determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of the prices set for the Underlying on the Reference Agents during the Valuation Date.]

[insert modified provision relating to the determination of the Reference Price, where applicable: ●]

Exchange Day

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

A day on which the Underlying is calculated by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

A day on which [trading in the Underlying takes place on the Reference Agent] [bid and offer prices for the Underlying are set by at least 3 leading market participants].]

*[in the case of **commodities** as the Underlying, insert:*

A day on which the interbank market for the Underlying is open and on which a price for the Underlying is calculated by the Reference Agent.]

[in the case of **futures** or **interest rate futures** as the Underlying, insert:

A day on which trading in the Underlying takes place on the Reference Agent.]

[in the case of **exchange rates** as the Underlying, insert:

A day on which the Reference Agent normally fixes a price for the Underlying.]

[in the case of **interest rates** as the Underlying, insert:

A day on which the Reference Agent normally fixes a price for the Underlying.]

[in the case of **investment units** as the Underlying, insert:

A day on which the value of the Underlying is normally determined by the respective Reference Agent.]

[In the case of **virtual currencies** as the Underlying, insert:

A day on which the Reference Agents normally determine a price for the Underlying.]

[insert modified definition of *Exchange Day*, where applicable: ●]

[for physical delivery only, insert:

Deliverable Asset [Underlying][investment units][index certificates][ETPs]

[for the Underlying as the Deliverable Asset, insert:

Number of the Deliverable Asset [shall correspond to the Ratio.]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method for determining the Number of the Deliverable Asset, where applicable: ●]

[for investment units as the Deliverable Asset, insert:

Investment Unit refers to a unit [in][of] [insert description of the Fund including, inter alia, the fund company, the securities identification number(s): ●] [as set out in Table 1 in the Annex to the Product Conditions] (the "**Fund**").

Number of the Deliverable Asset shall be determined on the Final Valuation Date and [shall correspond]

[to the quotient of (i) the Reference Price of the Underlying on the Final Valuation Date multiplied by the Ratio and (ii) the NAV of the Investment Unit on the Final Valuation Date; expressed as a formula:

$$\text{Number of the Deliverable Asset} = \frac{M \times RP_{\text{Underlying}}}{NAV_{\text{Investment Unit}}}$$

, where:

$RP_{\text{Underlying}}$ = Reference Price of the Underlying on the Final Valuation Date,

M = Ratio, and

$NAV_{\text{Investment Unit}}$ = NAV of the Investment Unit on the Final Valuation Date.]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method of calculating the Number of the Deliverable Asset, where applicable: ●]

NAV of the Investment Unit means [the net asset value of the Investment Unit calculated on a Business Day by the custodian bank specified in the Information Document and published on the Fund's website [(specify website, if known: ●)]. If the net asset value is not calculated on the Final Valuation Date, then the NAV shall be the net asset value of the Investment Unit calculated by the aforementioned agent and published on the next following Business Day.] [insert alternative definition of the NAV, where applicable: ●]

Information Document means the sales prospectus or other prospectus prepared with respect to the Investment Unit or the information memorandum prepared with respect to the Investment Unit, as amended respectively.]

[for index certificates and ETPs as the Deliverable Asset, insert:

[Index Certificates] [ETPs] means the [insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: •] [as set out in Table 1 in the Annex to the Product Conditions] (the "[Index Certificates] [ETPs]").

Number of the Deliverable Asset [• (corresponding to the Ratio divided by the Investment Ratio of the [Index Certificates][ETPs])]

[shall be determined on the Fixing Date and shall correspond to the Ratio divided by the Investment Ratio of the [Index Certificates][ETPs]]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method for determining the Number of the Deliverable Asset, where applicable: •].

Investment Ratio • (as specified in the Information Document).

Information Document means the securities prospectus or other prospectus prepared with respect to the [Index Certificates][ETPs] or the information memorandum prepared with respect to the [Index Certificates][ETPs], as amended respectively.]

Fractional Amount shall correspond to the amount determined by multiplying the fraction of the Number of the Deliverable Asset by

[in the event that the Underlying is delivered, insert: the Reference Price of the Underlying on the Final Valuation Date]

[in the event that Investment Units are delivered, insert: the NAV on the Final Valuation Date]

[in the event that Index Certificates or ETPs are delivered, insert: the Reference Price of the Underlying on the Final Valuation Date [multiplied by the][divided by the] Investment Ratio of the [Index Certificates][ETPs]]

[insert alternative method for determining the Fractional Amount, where applicable: •].

Monetary Value shall correspond

[in the event that the Underlying or Index Certificates or ETPs are delivered, insert: to the Reference Price of the Underlying on the Final Valuation Date multiplied by the Ratio]

[in the event that Investment Units are delivered, insert: to the NAV on the Final Valuation Date multiplied by the Ratio]

[insert alternative method for determining the Monetary Value, where applicable: •].

[Performance [of the Underlying shall correspond to the quotient of (i) the Reference Price of the Underlying on the Final Valuation Date and (ii) the [Strike][Initial Reference Price] of the Underlying, expressed as a percentage.] [as set out in Table 1 in the Annex to the Product Conditions]]

Currency Conversion [if currency hedging (Quanto) is not provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency in accordance with the Conversion Rate.

"Conversion Rate" means

[the relevant conversion rate as determined for the Valuation Date by Bloomberg L.P. at around 2:00 p.m. (local time in Frankfurt am Main) and published on the web page

<http://www.bloomberg.com/markets/currencies/fx-fixings.>]

[insert different definition of the Conversion Rate, where applicable: •]

[insert additionally, where applicable: If such conversion rate is not determined or published [or if the method of calculation of such conversion rate is materially modified or the normal publication time is changed by more than 30 minutes], the Calculation Agent shall determine the Conversion Rate applicable on the Valuation Date at the time of determination of the Reference Price in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].]

[if currency hedging (Quanto) is provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency. The conversion shall use a Conversion Rate of 1:1, i.e. one unit of the Currency of the Underlying shall correspond to one unit of the Settlement Currency of the Security ("**Quanto Structure**").]

Registry Type	[German Global Certificates] [Swiss Uncertified Securities] [Italian Uncertificated Certificates] [Danish Uncertificated Securities] [Dutch Uncertificated Securities] [Finnish Registered Securities] [French Dematerialized Bearer Securities] [Norwegian Registered Securities] [Swedish Registered Securities]
Guarantor	[Vontobel Holding AG, Zurich (the Swiss Guarantor)] [Bank Vontobel Europe AG, Munich (the German Guarantor)]
Applicable Adjustment and Market Disruption Provisions	The rules for Adjustments and Market Disruption Events for [shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities] [indices] [bonds] [commodities] [futures or interest rate futures] [exchange rates] [interest rates] [investment units] [virtual currencies] specified in section 6 and section 7 of the General Conditions shall apply to this Security.
Extraordinary Right of Termination of the Issuer	Applicable ([excluding][including] Hedging Disruption Events)
Securities with Collateralisation	[The Securities will not be collateralised, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall not be applicable.] [The Securities shall be collateralised, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall be applicable. Method for determining the Current Value of the Security: [Method A: Fair Value procedure] [Method B: Bond Floor procedure]

8.2.9 Product Conditions for (Best Entry) (Protect (Pro)) Multi Fix Coupon Express Certificates/Notes

[

[insert only in case of multiple series of Securities:

ISIN [/ WKN] [/ Valor] [/] *[insert* [• [/ •] [/ •] [/] *[insert another securities identification number, if any: •]* [as set out in Table 1 in another securities identification the Annex to the Product Conditions]]
number, if any: •]

Type of Security [Best Entry] [Protect [Pro]] Multi Fix Coupon Express [Certificates][Notes] [Quanto] [with Collateralisation (COSI)]

Settlement Currency of the Securities shall be [•][shall be as set out in Table 1 in the Annex to the Product Conditions].
 [All references to • should be understood as references to *[insert details of the Currency: •]*.]

[Issue Size [(up to)] [•] *[in the case of an increase of issue, insert additionally;* which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on *[insert issue date of the Original Securities: •]* [(and increased on *[list earlier increases of issue, where applicable: •]*)] and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a total issue size of •).)] [shall be as set out in Table 1 in the Annex to the Product Conditions]

Nominal Amount •

[Total Nominal Amount (up to)] • *[in the case of an increase of issue, insert additionally;* which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on *[insert issue date of the Original Securities: •]* [(and increased on *[list earlier increases of issue, where applicable: •]*)] and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a cumulative Total Nominal Amount of •).)]

Issue Date •

[Fixing Date •]

Final Valuation Date [•][as set out in Table 1 in the Annex to the Product Conditions]
 If the Final Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] *[insert modified provision, where applicable: •]*.]

Valuation Date [(n)] [•][as set out in Table 1 in the Annex to the Product Conditions] [means each Exchange Day beginning from the • and ending with the [Final Valuation Date]*[insert different date, where applicable: •]* (inclusive in each case).
 [If a Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] *[insert modified provision, where applicable: •]*.]

[Early Redemption Date [(n)] [•] [means the Early Redemption Date (n) allocated to the respective Valuation Date (n), as listed below: *[insert table]*.]

[insert only in case of Italian Uncertificated Certificates:

Expiry Date (*Data di Scadenza*) [shall mean the Valuation Date.] [[•] Business Days following the Valuation Date.] [as set out in Table 1 in the Annex to the Product Conditions] [•]

Maturity Date [•][as set out in Table 1 in the Annex to the Product Conditions]

Product Features means the Underlyings, the Strikes, *[for Barrier: , the Barriers]* [[.][and] the Redemption Levels] [and the Ratios].

Underlyings *[list Underlyings in order: •]* [shall be as set out in Table 1 in the Annex to the Product Conditions]
[insert description of Underlying: •] [shall be as set out in Table 1 in the Annex to the Product Conditions]
[In the case of shares, securities representing shares (ADRs or GDRs), other dividend-

bearing securities and indices as the Underlying, insert:

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **indices** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one index point corresponds to one unit of the Currency of the Underlying.]]

*[In the case of **bonds** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **commodities** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Unit of Measurement:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **futures or interest rate futures** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[•] [as set out for the respective Underlying in Table 2 in

the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **interest rate futures** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one percentage point in the pricing of the Underlying by the Reference Agent shall correspond to one unit of the Currency of the Underlying.]]

*[In the case of **exchange rates** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Base Currency / Strike Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[The "Currency of the Underlying" shall correspond to the Strike Currency.]]

*[In the case of **interest rates** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **investment units** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **virtual currencies** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] Symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Base Currency / Strike Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[All references to • should be understood as references to *[insert details of the Currency: •]*.]

Initial Reference Price	[Underlying 1]	[•] [as set out in Table 1 in the Annex to the Product Conditions] <i>[for Best Entry: means [the lowest [Reference Price] [Best Entry Price] of the Underlying during the Best Entry Observation Period][insert alternative definition, where applicable: •]</i>

[Underlying 2]	[•] [as set out in Table 1 in the Annex to the Product Conditions] <i>[for Best Entry: means [the lowest [Reference Price] [Best Entry Price] of the Underlying during the Best Entry Observation Period][insert alternative definition, where applicable: •]</i>

<i>[list additional Underlying(s), where applicable]</i>	[•] [as set out in Table 1 in the Annex to the Product Conditions] <i>[for Best Entry: means [the lowest [Reference Price] [Best Entry Price] of the Underlying during the Best Entry Observation Period][insert alternative definition, where applicable: •]</i>

[for Best Entry: The respective Initial Reference Price shall be notified without undue delay after the Fixing Date pursuant to section 12 of the General Conditions.]

[for Best Entry:

Best Entry Observation Period	Best Entry Observation Period [shall begin on the Issue Date and shall end on the Fixing Date (inclusive in each case)] [shall begin and end as set out in Table 1 in the Annex to the Product Conditions] <i>[insert alternative Best Entry Observation Period, where applicable: •].</i>

[Best Entry Price	Best Entry Price [shall correspond to the Observation Price] [shall be as set out in Table 1 in the Annex to the Product Conditions] <i>[insert alternative definition of the Best Entry Price for an Underlying, where applicable: •].]</i>

Strike	[Underlying 1]	[•] [as set out in Table 1 in the Annex to the Product Conditions]
	[Underlying 2]	[•] [as set out in Table 1 in the Annex to the Product Conditions]
	<i>[list additional Underlying(s), where applicable]</i>	[•] [as set out in Table 1 in the Annex to the Product Conditions]]

[Ratio	[Underlying 1]	[•][shall be as set out in Table 1 in the Annex to the Product Conditions] [shall be determined on the Fixing Date and shall correspond to the Nominal Amount divided by the Strike]
	[Underlying 2]	[•][shall be as set out in Table 1 in the Annex to

	the Product Conditions] [shall be determined on the Fixing Date and shall correspond to the Nominal Amount divided by the Strike]	
	<i>[list additional Underlying(s), where applicable]</i>	[●][shall be as set out in Table 1 in the Annex to the Product Conditions] [shall be determined on the Fixing Date and shall correspond to the Nominal Amount divided by the Strike]]
	<i>[insert alternative method for determining the Ratio for the Underlyings, where applicable: ●]</i>	
Early Redemption	Early Redemption of the Securities is possible, i.e. the provisions of section 4 of the General Conditions are applicable.	
Redemption Event	A Redemption Event shall occur if [the [Reference Price][Observation Price] of all the Underlyings is [equal to or] higher than the respective [relevant] Redemption Level [(n)] [at least once] on a Valuation Date [(n)].] <i>[insert alternative provision for the occurrence of a Redemption Event: ●]</i>	
Redemption Level [(n)]	<i>[insert only if the Redemption Level is different on one or more Valuation Dates: means the Redemption Level (n) allocated to the respective Valuation Date (n), as listed below for each Underlying:]</i>	
	<i>[Underlying 1]</i>	[●][as set out in Table 1 in the Annex to the Product Conditions]
	<i>[Underlying 2]</i>	[●][as set out in Table 1 in the Annex to the Product Conditions]
	<i>[list additional Underlying(s), where applicable]</i>	[●][as set out in Table 1 in the Annex to the Product Conditions]]
[Final Redemption Level]	<i>[Underlying 1]</i>	[●][as set out in Table 1 in the Annex to the Product Conditions]
	<i>[Underlying 2]</i>	[●][as set out in Table 1 in the Annex to the Product Conditions]
	<i>[list additional Underlying(s), where applicable]</i>	[●][as set out in Table 1 in the Annex to the Product Conditions]]
[Redemption Factor [(n)]]	[●][as set out in Table 1 in the Annex to the Product Conditions] [means the Redemption Factor (n) allocated to the respective Valuation Date (n), as listed below: <i>[insert table]</i> .]]	
Early Redemption Amount	The Early Redemption Amount shall correspond to [the Nominal Amount] [the higher of the following two amounts: • Nominal Amount; • Nominal Amount multiplied by the Performance of the Underlying with the [lowest][highest] Performance [the Nominal Amount multiplied by the Redemption Factor [(n)]]].	
<i>[for Protect, insert:</i>		
Barrier	<i>[Underlying 1]</i>	[●] [as set out in Table 1 in the Annex to the Product Conditions]
	<i>[Underlying 2]</i>	[●] [as set out in Table 1 in the Annex to the Product Conditions]
	<i>[list additional Underlying(s), where applicable]</i>	[●] [as set out in Table 1 in the Annex to the Product Conditions]]

Barrier Event	A Barrier Event shall occur if <i>[except for Pro:</i> the Observation Price of at least one Underlying is [equal to or] below the applicable Barrier for the respective Underlying at least once on an Exchange Day within the Observation Period.] <i>[for Pro:</i> the Reference Price of at least one Underlying is [equal to or] below the applicable Barrier for the respective Underlying on the Final Valuation Date.] <i>[insert alternative definition of a Barrier Event: •]]</i>

[for Protect, except for Pro, insert:

Observation Period	The Observation Period [shall be from • to • (first day and last day inclusive in each case)] [shall be on •] [shall correspond to the Term] [shall begin on [•] and end on the Final Valuation Date (inclusive in each case).] [shall be as set out in Table 1 in the Annex to the Product Conditions (first day and last day inclusive in each case)] <i>[insert alternative Observation Period: •]]</i>

[for Protect, except for Pro, insert in all cases and for Protect Pro insert where applicable:

Observation Price	shall mean <i>[in the case of shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities, indices, futures or interest rate futures as the Underlying, insert:</i> the price of the respective Underlying determined and published by the Reference Agent.] <i>[in the case of bonds, commodities or interest rates as the Underlying, insert:</i> the price of the respective Underlying in the interbank market as determined by the Calculation Agent in its reasonable discretion <i>[for Securities subject to German law: (sections 315, 317 BGB)].</i> <i>[in the case of exchange rates as the Underlying, insert:</i> each price of the respective Underlying on the international interbank market at the Valuation Time determined by the Calculation Agent during the Observation Period in its reasonable discretion <i>[for Securities subject to German law: (sections 315, 317 BGB)]</i> taking account of the bid and offer prices on the relevant screen page of the Bloomberg financial information service.] <i>[in the case of investment units as the Underlying, insert:</i> [the price of the respective Underlying determined and published by the Reference Agent.][the official net asset value for the respective Underlying, as calculated and published by the Reference Agent and at which it is actually possible to redeem the Underlying.]] <i>[insert alternative definition of the Observation Price for an Underlying: •]</i> [as set out in Table 1 in the Annex to the Product Conditions] [For the purpose of determining the occurrence of a Barrier Event, each Observation Price of an Underlying during the Observation Period shall be relevant.]]

Redemption Style	[cash settlement] [(physical) delivery]

[in the event that Unconditional Bonus Payments are provided for (section 5 (6) of the General Conditions), insert:

Bonus Payment Type	Unconditional Bonus Payment. The provisions of section 5 (6) of the General Conditions for Unconditional Bonus Payments shall apply.

Bonus Amount [(n)]	•

[Bonus Record Date [(n)]]	[•][as set out in Table 1 in the Annex to the Product Conditions] [means the Bonus Record Date

(n) allocated to the respective Observation Date (n), as listed below: *[insert table].*

Bonus Payment Date [(n)] [●][as set out in Table 1 in the Annex to the Product Conditions]

[in the event that interest is payable (section 5 (1) to (5) of the General Conditions), insert:

Interest Type [Fixed Interest] [Variable Interest]

Interest Commencement Date [●][as set out in Table 1 in the Annex to the Product Conditions]

Interest Payment Date(s): [●][as set out in Table 1 in the Annex to the Product Conditions]

Business Day Convention [following] [modified following], [adjusted] [unadjusted]

Interest Calculation Method [30/360] [act/360] [act/365] [act/act]

[for fixed interest, insert:

Interest Rate [●][as set out in Table 1 in the Annex to the Product Conditions]

[for variable interest, insert:

Reference Interest Rate *[insert name / description / identification: ●]* [as set out in Table 1 in the Annex to the Product Conditions]

Screen Page: ●

[Spread [●][as set out in Table 1 in the Annex to the Product Conditions]

[Multiplication Factor [●][as set out in Table 1 in the Annex to the Product Conditions]

[Floor ●]

[Cap [●] [as set out in Table 1 in the Annex to the Product Conditions]

Interest Determination Date shall refer to the [● Business Day preceding the [start] [end]] [first day] of the respective Interest Period.]]

Redemption at Maturity The redemption of the Securities on the Maturity Date (section 3 of the General Conditions) shall be determined – subject to Early Redemption pursuant to section 4 of the General Conditions

[Securities with Collateralisation (COSI):

and subject to the occurrence of a Liquidation Event pursuant to section 14 of the General Conditions]

– in accordance with the following paragraphs.

[Multi Fix Coupon Express Certificates/Notes with cash settlement Redemption Style:

- (a) If the Reference Price of all the Underlyings on the Final Valuation Date is [equal to or] higher than the respective [Strike] [Final Redemption Level], the investor shall receive the Nominal Amount.
- (b) If the Reference Price of at least one Underlying on the Final Valuation Date is [equal to or] below the respective [Strike] [Final Redemption Level], the Issuer shall pay a cash settlement equal to the Nominal Amount multiplied by the Performance of the Underlying with the Relevant Performance.]

[Multi Fix Coupon Express Certificates/Notes with (physical) delivery Redemption Style:

- (a) If the Reference Price of all the Underlyings on the Final Valuation Date is [equal to or] above the respective [Strike] [Final Redemption Level], each Security shall be redeemed by

payment of the Nominal Amount.

- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if the Reference Price of at least one Underlying on the Final Valuation Date is [equal to or] below the respective [Strike] [Final Redemption Level].

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Protect Multi Fix Coupon Express Certificates/Notes with cash settlement Redemption Style:

- (a) The investor shall receive payment of the Nominal Amount,
 - (i) if a Barrier Event has not occurred or,
 - (ii) if a Barrier Event has occurred, but the Reference Price of all of the Underlyings on the Final Valuation Date is [equal to or] above the respective [Strike] [Final Redemption Level].
- (b) If a Barrier Event has occurred and the Reference Price of at least one Underlying on the Final Valuation Date is [equal to or] below the respective [Strike] [Final Redemption Level], the Issuer shall pay a cash settlement equal to the Nominal Amount multiplied by the Performance of the Underlying with the Relevant Performance.

[Protect Multi Fix Coupon Express Certificates/Notes with (physical) delivery Redemption Style:

- (a) The investor shall receive payment of the Nominal Amount,
 - (i) if a Barrier Event has not occurred or,
 - (ii) if a Barrier Event has occurred, but the Reference Price of all of the Underlyings on the Final Valuation Date is [equal to or] above the respective [Strike] [Final Redemption Level].
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred and the Reference Price of at least one Underlying on the Final Valuation Date is [equal to or] below the respective [Strike] [Final Redemption Level].

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Protect Pro Multi Fix Coupon Express Certificates/Notes with cash settlement Redemption Style:

- (a) If a Barrier Event has not occurred, each Security shall be redeemed by payment of the Nominal Amount.
 - (b) If a Barrier Event has occurred, the Issuer shall pay a cash settlement equal to the Nominal
-

Amount multiplied by the Performance of the Underlying with the Relevant Performance.]

[Protect Pro Multi Fix Coupon Express Certificates/Notes with (physical) delivery Redemption Style:

- (a) If a Barrier Event has not occurred, each Security shall be redeemed by payment of the Nominal Amount.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

Reference Price

The Reference Price shall be the relevant rate, price or level of the respective Underlying for the purpose of determining and calculating the (Early) Redemption of the Securities and shall be determined as follows:

Reference Price means

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

[(a) the value of the Underlying determined and published as the closing price on the Reference Agent]

[(a) the price of the Underlying displayed on page [screen page: •] at the Valuation Time and obtainable from there].

[, and (b) in the absence of such price display, the arithmetical mean of the [bid prices] [offer prices] for the Underlying determined and notified at the request of the Calculation Agent by 5 leading market participants that are not affiliated companies of the Issuer or of the Calculation Agent]

[, and with the addition of interest accrued on the Underlying (if the interest is not included in the price determined)].]

*[in the case of **commodities** as the Underlying, insert:*

the price of the Underlying determined by the Reference Agent [at the Valuation Time].]

*[in the case of **futures or interest rate futures** as the Underlying, insert:*

the settlement price of the Underlying determined and published on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

the exchange rate determined by the Reference Agent at the Valuation Time and then published on the Reference Page. If the Base Currency of the Underlying (as specified above under "Underlying") is not EUR (euros), then the Calculation Agent shall calculate the Reference Price by dividing the respective exchange rate between EUR and the Strike Currency determined by the Reference Agent at the Valuation Time by the exchange rate between EUR and the Base Currency.]

*[in the case of **interest rates** as the Underlying, insert:*

the interest rate [determined by the Reference Agent and] published on the Reference Page [at the Valuation Time].]

*[in the case of **investment units** as the Underlying, insert:*

the value of the Underlying determined and published by the Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

the price of the Underlying determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of the prices set for the Underlying on the Reference Agents during the Valuation Date.]

[insert modified provision relating to the determination of the Reference Price, where applicable: •]

Exchange Day

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

A day on which the Underlying is calculated by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

A day on which [trading in the Underlying takes place on the Reference Agent] [bid and offer prices for the Underlying are set by at least 3 leading market participants].]

*[in the case of **commodities** as the Underlying, insert:*

A day on which the interbank market for the Underlying is open and on which a price for the Underlying is calculated by the Reference Agent.]

*[in the case of **futures or interest rate futures** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

*[in the case of **interest rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

*[in the case of **investment units** as the Underlying, insert:*

A day on which the value of the Underlying is normally determined by the respective Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

A day on which the Reference Agents normally determine a price for the Underlying.]

[insert modified definition of Exchange Day, where applicable: •]

[for physical delivery only, insert:

Deliverable Asset

[Underlying with the Relevant Performance] [[Investment Units][Index Certificates][ETPs] linked to the Underlying with the Relevant Performance] [as set out in Table 1 in the Annex to the Product Conditions].

[for an Underlying as the Deliverable Asset, insert:

Number of the Deliverable Asset

[shall correspond to the Ratio of the Underlying with the Relevant Performance.]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method for determining the Number of the Deliverable Asset for the Underlyings, where applicable: •]]

[for investment units as the Deliverable Asset, insert:

Investment Unit	means a unit in the fund allocated to the respective Underlying (each a " Fund "), as listed below:
[Underlying 1]	<i>[insert description of the Fund including, inter alia, the fund company, the securities identification number(s):</i> • <i>]</i> <i>[as set out in Table 1 in the Annex to the Product Conditions]</i>
[Underlying 2]	<i>[insert description of the Fund including, inter alia, the fund company, the securities identification number(s):</i> • <i>]</i> <i>[as set out in Table 1 in the Annex to the Product Conditions]</i>
<i>[list additional Underlying(s), where applicable]</i>	<i>[insert description of the Fund including, inter alia, the fund company, the securities identification number(s):</i> • <i>]</i> <i>[as set out in Table 1 in the Annex to the Product Conditions]</i>

Number of the Deliverable Asset shall be determined on the Final Valuation Date and [shall correspond]
[to the quotient of (i) the Reference Price of the Underlying with the Relevant Performance on the Final Valuation Date multiplied by the Ratio of the Underlying with the Relevant Performance and (ii) the NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Final Valuation Date; expressed as a formula:

$$\text{Number of the Deliverable Asset} = \frac{M_{\text{Underlying}} \times RP_{\text{Underlying}}}{NAV_{\text{Investment Unit}}}$$

, where:

$RP_{\text{Underlying}}$ = Reference Price of the Underlying with the Relevant Performance on the Final Valuation Date

$M_{\text{Underlying}}$ = Ratio of the Underlying with the Relevant Performance, and

$NAV_{\text{Investment Unit}}$ = NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Final Valuation Date.]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method of calculating the Number of the Deliverable Asset, where applicable: •]

NAV of the respective Investment Unit means [the net asset value of the Investment Unit calculated on a Business Day by the custodian bank specified in the Information Document and published on the respective Fund's website *[(specify website, if known: •)]*. If the net asset value is not calculated on the Final Valuation Date, then the NAV shall be the net asset value of the Investment Unit calculated by the aforementioned agent and published on the next following Business Day.] *[insert alternative definition of the NAV, where applicable: •]*

Information Document means the sales prospectus or other prospectus prepared with respect to the respective Investment Unit or the information memorandum prepared with respect to the Investment Unit, as amended respectively.]

[for index certificates and ETPs as the Deliverable Asset, insert:

[Index Certificates] [ETPs]	means the [Index Certificates] [ETPs] allocated to the respective Underlying (the " [Index Certificates] [ETPs] "), as listed below:
[Underlying 1]	<i>[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: •]</i> <i>[as set out in Table 1 in the Annex to the Product Conditions]</i>
[Underlying 2]	<i>[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: •]</i> <i>[as set out in Table 1 in the Annex to the Product Conditions]</i>
<i>[list additional Underlying(s), where applicable]</i>	<i>[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: •]</i>

	<i>applicable</i>	<i>including the reference item, ISIN and issuer: ●</i>][as set out in Table 1 in the Annex to the Product Conditions]
Number of the Deliverable Asset	<i>[Index Certificates or ETPs linked to Underlying 1]</i>	●][shall be as set out in Table 1 in the Annex to the Product Conditions.] [shall be determined on the Fixing Date and shall correspond to the Investment Ratio of the [Index Certificates][ETPs] multiplied by the Ratio of the respective Underlying]
	<i>[Index Certificates or ETPs linked to Underlying 2]</i>	●][shall be as set out in Table 1 in the Annex to the Product Conditions.] [shall be determined on the Fixing Date and shall correspond to the Investment Ratio of the [Index Certificates][ETPs] multiplied by the Ratio of the respective Underlying]
	<i>[list Index Certificates or ETPs linked to additional Underlying(s), where applicable]</i>	●][shall be as set out in Table 1 in the Annex to the Product Conditions.] [shall be determined on the Fixing Date and shall correspond to the Investment Ratio of the [Index Certificates][ETPs] multiplied by the Ratio of the respective Underlying]
<i>[if the Ratio is determined before or at the start of the offer, insert where applicable: The Number of the Deliverable Asset indicated above corresponds to the Investment Ratio of the relevant [Index Certificates][ETPs] multiplied by the Ratio of the respective Underlying.]</i>		
<i>[insert alternative method for determining the Number of the Deliverable Asset for the Index Certificates or ETPs linked to the Underlyings, where applicable: ●]</i>		
Investment Ratio	<i>[Index Certificates or ETPs linked to Underlying 1]</i>	●
	<i>[Index Certificates or ETPs linked to Underlying 2]</i>	●
	<i>[list Index Certificates or ETPs linked to additional Underlying(s), where applicable]</i>	●]
The Investment Ratios above are as specified in the respective Information Document.		
Information Document	means in each case the securities prospectus or other prospectus prepared with respect to the [Index Certificates][ETPs] or the information memorandum prepared with respect to the [Index Certificates][ETPs], as amended respectively.]	
Fractional Amount	shall correspond to the amount determined by multiplying the fraction of the Number of the Deliverable Asset by <i>[in the event that an Underlying is delivered, insert: the Reference Price of the Underlying with the Relevant Performance on the Final Valuation Date]</i> <i>[in the event that Investment Units are delivered, insert: the NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Final Valuation Date]</i> <i>[in the event that Index Certificates or ETPs are delivered, insert: the Reference Price of the Underlying with the Relevant Performance on the Final Valuation Date [multiplied by the][divided by the] Investment Ratio of the [Index Certificates][ETPs] linked to it]</i> <i>[insert alternative method for determining the Fractional Amount, where applicable: ●].</i>	
Monetary Value	shall correspond <i>[in the event that an Underlying or Index Certificates or ETPs are delivered, insert: to the Reference Price of the Underlying with the Relevant Performance on the Final Valuation Date multiplied by the Number of the Deliverable Asset]</i> <i>[in the event that Investment Units are delivered, insert: to the NAV of the Investment Unit linked</i>	

to the Underlying with the Relevant Performance on the Final Valuation Date multiplied by the Number of the Deliverable Asset]

[insert alternative method for determining the Monetary Value, where applicable: •].]

Performance [of the Underlying shall correspond to the quotient of (i) the Reference Price of the Underlying on the Final Valuation Date and (ii) the [Strike][Initial Reference Price] of the Underlying, expressed as a percentage.] [as set out in Table 1 in the Annex to the Product Conditions]

Relevant Performance means the Performance of the Underlying showing the [lowest] [highest] [•] Performance in relation to the other Underlyings. If several Underlyings show identical Performance, the Issuer shall be entitled to decide in its reasonable discretion *[for Securities subject to German law: (sections 315, 317 BGB)]* which of the Underlyings concerned shall be used for the purpose of calculating the Relevant Performance within the meaning of these Terms and Conditions.]

Currency Conversion *[if currency hedging (Quanto) is not provided for, insert:*

All monetary amounts payable under the Securities shall be converted into the Settlement Currency in accordance with the Conversion Rate.

"Conversion Rate" means

[the relevant conversion rate as determined for the Valuation Date by Bloomberg L.P. at around 2:00 p.m. (local time in Frankfurt am Main) and published on the web page <http://www.bloomberg.com/markets/currencies/fx-fixings>.]

[insert different definition of the Conversion Rate, where applicable: •]

[insert additionally, where applicable: If such conversion rate is not determined or published [or if the method of calculation of such conversion rate is materially modified or the normal publication time is changed by more than 30 minutes], the Calculation Agent shall determine the Conversion Rate applicable on the Valuation Date at the time of determination of the Reference Price in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].]

[if currency hedging (Quanto) is provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency. The conversion shall use a Conversion Rate of 1:1, i.e. one unit of the Currency of the Underlying shall correspond to one unit of the Settlement Currency of the Security ("**Quanto Structure**").]

Registry Type

- [German Global Certificates]
- [Swiss Uncertified Securities]
- [Italian Uncertificated Certificates]
- [Danish Uncertificated Securities]
- [Dutch Uncertificated Securities]
- [Finnish Registered Securities]
- [French Dematerialized Bearer Securities]
- [Norwegian Registered Securities]
- [Swedish Registered Securities]

Guarantor

- [Vontobel Holding AG, Zurich (the Swiss Guarantor)]
- [Bank Vontobel Europe AG, Munich (the German Guarantor)]

Applicable Adjustment and Market Disruption Provisions

The rules for Adjustments and Market Disruption Events for [shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities] [indices] [bonds] [commodities] [futures or interest rate futures] [exchange rates] [interest rates] [investment units] [virtual currencies] specified in section 6 and section 7 of the General Conditions shall apply to this Security.

Extraordinary Right of
Termination of the Issuer

Applicable ([excluding][including] Hedging Disruption Events)

Securities with Collateralisation

[The Securities **will not be collateralised**, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall not be applicable.]

[The Securities **shall be collateralised**, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall be applicable.]

Method for determining the Current Value of the Security:

[Method A: Fair Value procedure]

[Method B: Bond Floor procedure]

8.2.10 Product Conditions for (Best Entry) (Memory) (Protect (Pro)) Multi Express Certificates/Notes

[

[insert only in case of multiple series of Securities:

ISIN [/ WKN] [/ Valor] [/] *[insert • [/ •] [/ •] [/] [insert another securities identification number, if any: •]]* [as set out in Table 1 in another securities identification the Annex to the Product Conditions]]
number, if any: •]

Type of Security	[Best Entry] [Memory] [Protect [Pro]] Multi Express [Certificates][Notes] [Quanto] [with Collateralisation (COSI)]
Settlement Currency	of the Securities shall be [•][shall be as set out in Table 1 in the Annex to the Product Conditions]. [All references to • should be understood as references to <i>[insert details of the Currency: •]</i> .]
[Issue Size [(up to)]	[•] <i>[in the case of an increase of issue, insert additionally:]</i> , which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on <i>[insert issue date of the Original Securities: •]</i> [(and increased on <i>[list earlier increases of issue, where applicable: •]</i>) and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a total issue size of •).]] [shall be as set out in Table 1 in the Annex to the Product Conditions]
Nominal Amount	•
[Total Nominal Amount (up to)	• <i>[in the case of an increase of issue, insert additionally:]</i> , which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on <i>[insert issue date of the Original Securities: •]</i> [(and increased on <i>[list earlier increases of issue, where applicable: •]</i>) and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a cumulative Total Nominal Amount of •).]]
Issue Date	•
[Fixing Date	•]
Final Valuation Date	[•][as set out in Table 1 in the Annex to the Product Conditions] If the Final Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] <i>[insert modified provision, where applicable: •]</i> .
Valuation Date [(n)]	[•][as set out in Table 1 in the Annex to the Product Conditions] [means each Exchange Day beginning from the • and ending with the [Final Valuation Date] <i>[insert different date, where applicable: •]</i> (inclusive in each case)]. [If a Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] <i>[insert modified provision, where applicable: •]</i> .]
[Early Redemption Date [(n)]	[•] [means the Early Redemption Date (n) allocated to the respective Valuation Date (n), as listed below: <i>[insert table]</i> .]
<i>[insert only in case of Italian Uncertificated Certificates:</i>	
Expiry Date (<i>Data di Scadenza</i>)	[shall mean the Valuation Date.] [[•] Business Days following the Valuation Date.] [as set out in Table 1 in the Annex to the Product Conditions] [•]]
Maturity Date	[•][as set out in Table 1 in the Annex to the Product Conditions]
Product Features	means the Underlyings, the Strikes, <i>[for Barrier: , the Barriers]</i> , the Redemption Levels [.] <i>[and]</i> the Bonus Thresholds <i>[and the Ratios]</i> .

Underlyings

[list Underlyings in order: •] [shall be as set out in Table 1 in the Annex to the Product Conditions]

[insert description of Underlying: •] [shall be as set out in Table 1 in the Annex to the Product Conditions]

[In the case of **shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities and indices** as the Underlying, insert:

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Derivatives Exchange: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[In the case of **indices** as the Underlying, insert additionally:

For the purposes of the Terms and Conditions, one index point corresponds to one unit of the Currency of the Underlying.]]

[In the case of **bonds** as the Underlying, insert:

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Derivatives Exchange: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[In the case of **commodities** as the Underlying, insert:

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Unit of Measurement: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[In the case of **futures or interest rate futures** as the Underlying, insert:

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table

2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Derivatives Exchange: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **interest rate futures** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one percentage point in the pricing of the Underlying by the Reference Agent shall correspond to one unit of the Currency of the Underlying.]]

*[In the case of **exchange rates** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Base Currency / Strike Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[The "Currency of the Underlying" shall correspond to the Strike Currency.]]

*[In the case of **interest rates** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Page: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **investment units** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **virtual currencies** as the Underlying, insert:*

[ISIN Underlying:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][●] Symbol:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Base Currency / Strike Currency:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Page:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[All references to ● should be understood as references to <i>[insert details of the Currency: ●]</i> .]	

Initial Reference Price	[Underlying 1]	[●] [as set out in Table 1 in the Annex to the Product Conditions] <i>[for Best Entry: means [the lowest [Reference Price] [Best Entry Price] of the Underlying during the Best Entry Observation Period][insert alternative definition, where applicable: ●]</i>
	[Underlying 2]	[●] [as set out in Table 1 in the Annex to the Product Conditions] <i>[for Best Entry: means [the lowest [Reference Price] [Best Entry Price] of the Underlying during the Best Entry Observation Period][insert alternative definition, where applicable: ●]</i>
	<i>[list additional Underlying(s), where applicable]</i>	[●] [as set out in Table 1 in the Annex to the Product Conditions] <i>[for Best Entry: means [the lowest [Reference Price] [Best Entry Price] of the Underlying during the Best Entry Observation Period][insert alternative definition, where applicable: ●]</i>
<i>[for Best Entry: The respective Initial Reference Price shall be notified without undue delay after the Fixing Date pursuant to section 12 of the General Conditions.]</i>		

[for Best Entry:

Best Entry Observation Period	Best Entry Observation Period
	[shall begin on the Issue Date and shall end on the Fixing Date (inclusive in each case)]
	[shall begin and end as set out in Table 1 in the Annex to the Product Conditions] <i>[insert alternative Best Entry Observation Period, where applicable: ●].</i>
[Best Entry Price	Best Entry Price
	[shall correspond to the Observation Price]
	[shall be as set out in Table 1 in the Annex to the Product Conditions] <i>[insert alternative definition of the Best Entry Price for an Underlying, where applicable: ●].]</i>

Strike	[Underlying 1]	[●] [as set out in Table 1 in the Annex to the Product Conditions]
	[Underlying 2]	[●] [as set out in Table 1 in the Annex to the Product Conditions]
	<i>[list additional Underlying(s), where applicable]</i>	[●] [as set out in Table 1 in the Annex to the Product Conditions]

[Ratio]	[Underlying 1]	[●][shall be as set out in Table 1 in the Annex to the Product Conditions] [shall be determined on the Fixing Date and shall correspond to the Nominal Amount divided by the Strike]
	[Underlying 2]	[●][shall be as set out in Table 1 in the Annex to the Product Conditions] [shall be determined on the Fixing Date and shall correspond to the Nominal Amount divided by the Strike]
	[list additional Underlying(s), where applicable]	[●][shall be as set out in Table 1 in the Annex to the Product Conditions] [shall be determined on the Fixing Date and shall correspond to the Nominal Amount divided by the Strike]]
	[insert alternative method for determining the Ratio for the Underlyings, where applicable: ●]	
Early Redemption	Early Redemption of the Securities is possible, i.e. the provisions of section 4 of the General Conditions are applicable.	
Redemption Event	A Redemption Event shall occur if [the [Reference Price][Observation Price] of all the Underlyings is [equal to or] higher than the respective [relevant] Redemption Level [(n)] [at least once] on a Valuation Date [(n)].] [insert alternative provision for the occurrence of a Redemption Event: ●]	
Redemption Level [(n)]	[insert only if the Redemption Level is different on one or more Valuation Dates: means the Redemption Level (n) allocated to the respective Valuation Date (n), as listed below for each Underlying:]	
	[Underlying 1]	[●][as set out in Table 1 in the Annex to the Product Conditions]
	[Underlying 2]	[●][as set out in Table 1 in the Annex to the Product Conditions]
	[list additional Underlying(s), where applicable]	[●][as set out in Table 1 in the Annex to the Product Conditions]]
[Final Redemption Level]	[Underlying 1]	[●][as set out in Table 1 in the Annex to the Product Conditions]
	[Underlying 2]	[●][as set out in Table 1 in the Annex to the Product Conditions]
	[list additional Underlying(s), where applicable]	[●][as set out in Table 1 in the Annex to the Product Conditions]]
[Redemption Factor [(n)]]	[●][as set out in Table 1 in the Annex to the Product Conditions] [means the Redemption Factor (n) allocated to the respective Valuation Date (n), as listed below: [insert table].]]	
Early Redemption Amount	The Early Redemption Amount shall correspond to [the Nominal Amount] [the higher of the following two amounts: • Nominal Amount; • Nominal Amount multiplied by the Performance of the Underlying with the [lowest][highest] Performance [the Nominal Amount multiplied by the Redemption Factor [(n)]]].	

[for Protect, insert:

Barrier	[Underlying 1]	[●] [as set out in Table 1 in the Annex to the Product Conditions]
	[Underlying 2]	[●] [as set out in Table 1 in the Annex to the Product Conditions]
	[list additional Underlying(s), where applicable]	[●] [as set out in Table 1 in the Annex to the Product Conditions]

Barrier Event	A Barrier Event shall occur if [except for Pro: the Observation Price of at least one Underlying is [equal to or] below the applicable Barrier for the respective Underlying at least once on an Exchange Day within the Observation Period.] [for Pro: the Reference Price of at least one Underlying is [equal to or] below the applicable Barrier for the respective Underlying on the Final Valuation Date.] [insert alternative definition of a Barrier Event: ●]]	

[for Protect, except for Pro, insert:

Observation Period	The Observation Period [shall be from ● to ● (first day and last day inclusive in each case)] [shall be on ●] [shall correspond to the Term] [shall begin on [●] and end on the Final Valuation Date (inclusive in each case).] [shall be as set out in Table 1 in the Annex to the Product Conditions (first day and last day inclusive in each case)] [insert alternative Observation Period: ●]]	

[for Protect, except for Pro, insert in all cases and for Protect Pro insert where applicable:

Observation Price	shall mean [in the case of shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities, indices, futures or interest rate futures as the Underlying, insert: the price of the respective Underlying determined and published by the Reference Agent.] [in the case of bonds, commodities or interest rates as the Underlying, insert: the price of the respective Underlying in the interbank market as determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].] [in the case of exchange rates as the Underlying, insert: each price of the respective Underlying on the international interbank market at the Valuation Time determined by the Calculation Agent during the Observation Period in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of the bid and offer prices on the relevant screen page of the Bloomberg financial information service.] [in the case of investment units as the Underlying, insert: [the price of the respective Underlying determined and published by the Reference Agent.][the official net asset value for the respective Underlying, as calculated and published by the Reference Agent and at which it is actually possible to redeem the Underlying.]] [insert alternative definition of the Observation Price for an Underlying: ●] [as set out in Table 1 in the Annex to the Product Conditions]	

[For the purpose of determining the occurrence of a Barrier Event, each Observation Price of an Underlying during the Observation Period shall be relevant.]]

Redemption Style	[cash settlement] [(physical) delivery]							
Bonus Payment Type	Conditional Bonus Payment. The provisions of section 5 (6) of the General Conditions for Conditional Bonus Payments shall apply.							
Bonus Event	A Bonus Event shall occur if [the [Reference Price][Observation Price] of all the Underlyings is [equal to or] higher than the respective [relevant] Bonus Threshold [(n)] [at least once] on an Observation Date [(n)].] <i>[insert alternative provision for the occurrence of a Bonus Event, where applicable: •]</i>							
Bonus Threshold [(n)]	<i>[insert only if the Bonus Threshold is different on one or more Observation Dates: means the Bonus Threshold (n) allocated to the respective Observation Date (n), as listed below for each Underlying:]</i> <table><tr><td><i>[Underlying 1]</i></td><td><i>[•][as set out in Table 1 in the Annex to the Product Conditions]</i></td></tr><tr><td><i>[Underlying 2]</i></td><td><i>[•][as set out in Table 1 in the Annex to the Product Conditions]</i></td></tr><tr><td><i>[list additional Underlying(s), where applicable]</i></td><td><i>[•][as set out in Table 1 in the Annex to the Product Conditions]</i></td></tr></table>		<i>[Underlying 1]</i>	<i>[•][as set out in Table 1 in the Annex to the Product Conditions]</i>	<i>[Underlying 2]</i>	<i>[•][as set out in Table 1 in the Annex to the Product Conditions]</i>	<i>[list additional Underlying(s), where applicable]</i>	<i>[•][as set out in Table 1 in the Annex to the Product Conditions]</i>
<i>[Underlying 1]</i>	<i>[•][as set out in Table 1 in the Annex to the Product Conditions]</i>							
<i>[Underlying 2]</i>	<i>[•][as set out in Table 1 in the Annex to the Product Conditions]</i>							
<i>[list additional Underlying(s), where applicable]</i>	<i>[•][as set out in Table 1 in the Annex to the Product Conditions]</i>							
Observation Date [(n)]	<i>[•][as set out in Table 1 in the Annex to the Product Conditions] [means each Exchange Day beginning from the • and ending with the [Final Valuation Date][insert different date, where applicable: •] (inclusive in each case)].</i> [If an Observation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] <i>[insert modified provision, where applicable: •]</i>.]							
Memory	[Not applicable. The provisions of section 5 (2) of the General Conditions shall not apply.] [Applicable. Bonus Payments not made may be paid subsequently pursuant to section 5 (2) of the General Conditions.]							
Bonus Amount [(n)]	<i>[•][as set out in Table 1 in the Annex to the Product Conditions] [means the Bonus Amount (n) allocated to the respective Observation Date (n), as listed below: <i>[insert table]</i>.]</i>							
[Bonus Record Date [(n)]	<i>[•] [means the Bonus Record Date (n) allocated to the respective Observation Date (n), as listed below: <i>[insert table]</i>.]</i>							
Bonus Payment Date [(n)]	<i>[•][as set out in Table 1 in the Annex to the Product Conditions] [means the Bonus Payment Date (n) allocated to the respective Observation Date (n), as listed below: <i>[insert table]</i>.]</i>							
Redemption at Maturity	The redemption of the Securities on the Maturity Date (section 3 of the General Conditions) shall be determined – subject to Early Redemption pursuant to section 4 of the General Conditions <i>[Securities with Collateralisation (COSI):</i> and subject to the occurrence of a Liquidation Event pursuant to section 14 of the General Conditions] – in accordance with the following paragraphs. <i>[Multi Express Certificates/Notes with cash settlement Redemption Style:</i> (a) If the Reference Price of all the Underlyings on the Final Valuation Date is [equal to or] higher than the respective [Strike] [Final Redemption Level], the investor shall receive the Nominal Amount. (b) If the Reference Price of at least one Underlying on the Final Valuation Date is [equal to or] below the respective [Strike] [Final Redemption Level], the Issuer shall pay a							

cash settlement equal to the Nominal Amount multiplied by the Performance of the Underlying with the Relevant Performance.]

[Multi Express Certificates/Notes with (physical) delivery Redemption Style:

- (a) If the Reference Price of all the Underlyings on the Final Valuation Date is [equal to or] above the respective [Strike] [Final Redemption Level], each Security shall be redeemed by payment of the Nominal Amount.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if the Reference Price of at least one Underlying on the Final Valuation Date is [equal to or] below the respective [Strike] [Final Redemption Level].

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Protect Multi Express Certificates/Notes with cash settlement Redemption Style:

- (a) The investor shall receive payment of the Nominal Amount,
 - (i) if a Barrier Event has not occurred or,
 - (ii) if a Barrier Event has occurred, but the Reference Price of all of the Underlyings on the Final Valuation Date is [equal to or] above the respective [Strike] [Final Redemption Level].
- (b) If a Barrier Event has occurred and the Reference Price of at least one Underlying on the Final Valuation Date is [equal to or] below the respective [Strike] [Final Redemption Level], the Issuer shall pay a cash settlement equal to the Nominal Amount multiplied by the Performance of the Underlying with the Relevant Performance.

[Protect Multi Express Certificates/Notes with (physical) delivery Redemption Style:

- (a) The investor shall receive payment of the Nominal Amount,
 - (i) if a Barrier Event has not occurred or,
 - (ii) if a Barrier Event has occurred, but the Reference Price of all of the Underlyings on the Final Valuation Date is [equal to or] above the respective [Strike] [Final Redemption Level].
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred and the Reference Price of at least one Underlying on the Final Valuation Date is [equal to or] below the respective [Strike] [Final Redemption Level].

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable:*

or it is not possible to determine the NAV in accordance with the definition below], the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Protect Pro Multi Express Certificates/Notes with cash settlement Redemption Style:

- (a) If a Barrier Event has not occurred, each Security shall be redeemed by payment of the Nominal Amount.
- (b) If a Barrier Event has occurred, the Issuer shall pay a cash settlement equal to the Nominal Amount multiplied by the Performance of the Underlying with the Relevant Performance.]

[Protect Pro Multi Express Certificates/Notes with (physical) delivery Redemption Style:

- (a) If a Barrier Event has not occurred, each Security shall be redeemed by payment of the Nominal Amount.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

Reference Price

The Reference Price shall be the relevant rate, price or level of the respective Underlying for the purpose of determining and calculating the (Early) Redemption of the Securities *[in the case of Conditional Bonus Payments: or for the purpose of determining whether the conditions for a Bonus Payment are met,]* and shall be determined as follows:

Reference Price means

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

[(a) the value of the Underlying determined and published as the closing price on the Reference Agent]

[(a) the price of the Underlying displayed on page [*screen page*: ●] at the Valuation Time and obtainable from there].

[, and (b) in the absence of such price display, the arithmetical mean of the [bid prices] [offer prices] for the Underlying determined and notified at the request of the Calculation Agent by 5 leading market participants that are not affiliated companies of the Issuer or of the Calculation Agent]

[, and with the addition of interest accrued on the Underlying (if the interest is not included in the price determined)].]

*[in the case of **commodities** as the Underlying, insert:*

the price of the Underlying determined by the Reference Agent [at the Valuation Time].]

*[in the case of **futures** or **interest rate futures** as the Underlying, insert:*

the settlement price of the Underlying determined and published on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

the exchange rate determined by the Reference Agent at the Valuation Time and then published on the Reference Page. If the Base Currency of the Underlying (as specified above under "Underlying") is not EUR (euros), then the Calculation Agent shall calculate the Reference Price by dividing the respective exchange rate between EUR and the Strike Currency determined by the Reference Agent at the Valuation Time by the exchange rate between EUR and the Base Currency.]

*[in the case of **interest rates** as the Underlying, insert:*

the interest rate [determined by the Reference Agent and] published on the Reference Page [at the Valuation Time].]

*[in the case of **investment units** as the Underlying, insert:*

the value of the Underlying determined and published by the Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

the price of the Underlying determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of the prices set for the Underlying on the Reference Agents during the Valuation Date.]

[insert modified provision relating to the determination of the Reference Price, where applicable: •]

Exchange Day

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

A day on which the Underlying is calculated by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

A day on which [trading in the Underlying takes place on the Reference Agent] [bid and offer prices for the Underlying are set by at least 3 leading market participants].]

*[in the case of **commodities** as the Underlying, insert:*

A day on which the interbank market for the Underlying is open and on which a price for the Underlying is calculated by the Reference Agent.]

*[in the case of **futures** or **interest rate futures** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

*[in the case of **interest rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

*[in the case of **investment units** as the Underlying, insert:*

A day on which the value of the Underlying is normally determined by the respective Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

A day on which the Reference Agents normally determine a price for the Underlying.]

[insert modified definition of Exchange Day, where applicable: •]

[for physical delivery only, insert:

Deliverable Asset [Underlying with the Relevant Performance] [[Investment Units][Index Certificates][ETPs] linked to the Underlying with the Relevant Performance].

[for an Underlying as the Deliverable Asset, insert:

Number of the Deliverable Asset [shall correspond to the Ratio of the Underlying with the Relevant Performance.]
[shall be as set out in Table 1 in the Annex to the Product Conditions.]
[insert alternative method for determining the Number of the Deliverable Asset for the Underlyings, where applicable: ●]

[for investment units as the Deliverable Asset, insert:

Investment Unit means a unit in the fund allocated to the respective Underlying (each a "Fund"), as listed below:

[Underlying 1] [insert description of the Fund including, inter alia, the fund company, the securities identification number(s): ●][as set out in Table 1 in the Annex to the Product Conditions]

[Underlying 2] [insert description of the Fund including, inter alia, the fund company, the securities identification number(s): ●][as set out in Table 1 in the Annex to the Product Conditions]

[list additional Underlying(s), where applicable] [insert description of the Fund including, inter alia, the fund company, the securities identification number(s): ●][as set out in Table 1 in the Annex to the Product Conditions]

Number of the Deliverable Asset shall be determined on the Final Valuation Date and [shall correspond]
[to the quotient of (i) the Reference Price of the Underlying with the Relevant Performance on the Final Valuation Date multiplied by the Ratio of the Underlying with the Relevant Performance and (ii) the NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Final Valuation Date; expressed as a formula:

$$\text{Number of the Deliverable Asset} = \frac{M_{\text{Underlying}} \times RP_{\text{Underlying}}}{NAV_{\text{Investment Unit}}}$$

, where:

$RP_{\text{Underlying}}$ = Reference Price of the Underlying with the Relevant Performance on the Final Valuation Date

$M_{\text{Underlying}}$ = Ratio of the Underlying with the Relevant Performance, and

$NAV_{\text{Investment Unit}}$ = NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Final Valuation Date.]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method of calculating the Number of the Deliverable Asset, where applicable: ●]

NAV of the respective Investment Unit means [the net asset value of the Investment Unit calculated on a Business Day by the custodian bank specified in the Information Document and published on the respective Fund's website [(specify website, if known: ●)]. If the net asset value is not calculated on the Final Valuation Date, then the NAV shall be the net asset value of the Investment Unit calculated by the aforementioned agent and published on the next following Business Day.] [insert alternative definition of the NAV, where applicable: ●]

Information Document means the sales prospectus or other prospectus prepared with respect to the respective Investment Unit or the information memorandum prepared with respect to the Investment

Unit, as amended respectively.]

[for index certificates and ETPs as the Deliverable Asset, insert:

[Index Certificates] [ETPs]	means the [Index Certificates] [ETPs] allocated to the respective Underlying (the "[Index Certificates] [ETPs]"), as listed below:
[Underlying 1]	[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: •][as set out in Table 1 in the Annex to the Product Conditions]
[Underlying 2]	[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: •][as set out in Table 1 in the Annex to the Product Conditions]
[list additional Underlying(s), where applicable]	[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: •][as set out in Table 1 in the Annex to the Product Conditions]
Number of the Deliverable Asset	[Index Certificates or ETPs linked to Underlying 1] [•][shall be as set out in Table 1 in the Annex to the Product Conditions.] [shall be determined on the Fixing Date and shall correspond to the Investment Ratio of the [Index Certificates][ETPs] multiplied by the Ratio of the respective Underlying]
	[Index Certificates or ETPs linked to Underlying 2] [•][shall be as set out in Table 1 in the Annex to the Product Conditions.] [shall be determined on the Fixing Date and shall correspond to the Investment Ratio of the [Index Certificates][ETPs] multiplied by the Ratio of the respective Underlying]
	[list Index Certificates or ETPs linked to additional Underlying(s), where applicable] [•][shall be as set out in Table 1 in the Annex to the Product Conditions.] [shall be determined on the Fixing Date and shall correspond to the Investment Ratio of the [Index Certificates][ETPs] multiplied by the Ratio of the respective Underlying]
	[if the Ratio is determined before or at the start of the offer, insert where applicable: The Number of the Deliverable Asset indicated above corresponds to the Investment Ratio of the relevant [Index Certificates][ETPs] multiplied by the Ratio of the respective Underlying.]
	[insert alternative method for determining the Number of the Deliverable Asset for the Index Certificates or ETPs linked to the Underlyings, where applicable: •]
Investment Ratio	[Index Certificates or ETPs linked to Underlying 1] • [Index Certificates or ETPs linked to Underlying 2] • [list Index Certificates or ETPs linked to additional Underlying(s), where applicable] •]
	The Investment Ratios above are as specified in the respective Information Document.
Information Document	means in each case the securities prospectus or other prospectus prepared with respect to the [Index Certificates][ETPs] or the information memorandum prepared with respect to the [Index Certificates][ETPs], as amended respectively.]
Fractional Amount	shall correspond to the amount determined by multiplying the fraction of the Number of the Deliverable Asset by

[in the event that an Underlying is delivered, insert: the Reference Price of the Underlying with the Relevant Performance on the Final Valuation Date]

[in the event that Investment Units are delivered, insert: the NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Final Valuation Date]

[in the event that Index Certificates or ETPs are delivered, insert: the Reference Price of the Underlying with the Relevant Performance on the Final Valuation Date [multiplied by the][divided by the] Investment Ratio of the [Index Certificates][ETPs] linked to it]

[insert alternative method for determining the Fractional Amount, where applicable: •].

Monetary Value

shall correspond

[in the event that an Underlying or Index Certificates or ETPs are delivered, insert: to the Reference Price of the Underlying with the Relevant Performance on the Final Valuation Date multiplied by the Number of the Deliverable Asset]

[in the event that Investment Units are delivered, insert: to the NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Final Valuation Date multiplied by the Number of the Deliverable Asset]

[insert alternative method for determining the Monetary Value, where applicable: •].

Performance

[of the Underlying shall correspond to the quotient of (i) the Reference Price of the Underlying on the Final Valuation Date and (ii) the [Strike][Initial Reference Price] of the Underlying, expressed as a percentage.] [as set out in Table 1 in the Annex to the Product Conditions]

Relevant Performance

means the Performance of the Underlying showing the [lowest] [highest] [•] Performance in relation to the other Underlyings. If several Underlyings show identical Performance, the Issuer shall be entitled to decide in its reasonable discretion *[for Securities subject to German law: (sections 315, 317 BGB)]* which of the Underlyings concerned shall be used for the purpose of calculating the Relevant Performance within the meaning of these Terms and Conditions.]

Currency Conversion

[if currency hedging (Quanto) is not provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency in accordance with the Conversion Rate.

"Conversion Rate" means

[the relevant conversion rate as determined for the Valuation Date by Bloomberg L.P. at around 2:00 p.m. (local time in Frankfurt am Main) and published on the web page <http://www.bloomberg.com/markets/currencies/fix-fixings>.]

[insert different definition of the Conversion Rate, where applicable: •]

[insert additionally, where applicable: If such conversion rate is not determined or published [or if the method of calculation of such conversion rate is materially modified or the normal publication time is changed by more than 30 minutes], the Calculation Agent shall determine the Conversion Rate applicable on the Valuation Date at the time of determination of the Reference Price in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].]

[if currency hedging (Quanto) is provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency. The conversion shall use a Conversion Rate of 1:1, i.e. one unit of the Currency of the Underlying shall correspond to one unit of the Settlement Currency of the Security ("**Quanto Structure**").]

Registry Type

[German Global Certificates]

[Swiss Uncertified Securities]

[Italian Uncertificated Certificates]

[Danish Uncertificated Securities]

[Dutch Uncertificated Securities]

[Finnish Registered Securities]

[French Dematerialized Bearer Securities]

[Norwegian Registered Securities]

[Swedish Registered Securities]

Guarantor

[Vontobel Holding AG, Zurich (the Swiss Guarantor)]

[Bank Vontobel Europe AG, Munich (the German Guarantor)]

Applicable Adjustment and
Market Disruption Provisions

The rules for Adjustments and Market Disruption Events for [shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities] [indices] [bonds] [commodities] [futures or interest rate futures] [exchange rates] [interest rates] [investment units] [virtual currencies] specified in section 6 and section 7 of the General Conditions shall apply to this Security.

Extraordinary Right of
Termination of the Issuer

Applicable ([excluding][including] Hedging Disruption Events)

Securities with Collateralisation

[The Securities **will not be collateralised**, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall not be applicable.]

[The Securities **shall be collateralised**, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall be applicable.

Method for determining the Current Value of the Security:

[Method A: Fair Value procedure]

[Method B: Bond Floor procedure]

8.2.11 Product Conditions for (Best Entry) (Chance) (Lock-in) (Floored) (Floater) (Barrier) Reverse Convertibles

[

[insert only in case of multiple series of Securities:

ISIN [/ WKN] [/ Valor] [/] [insert • [/ •] [/ •] [/] [insert another securities identification number, if any: •]] [as set out in Table 1 in another securities identification number, if any: •] the Annex to the Product Conditions]]

Type of Security	[Best Entry] [Chance] [Lock-in] [Floored] [Floater] [Barrier] Reverse Convertibles [Quanto] [with Collateralisation (COSI)]

Settlement Currency of the Securities shall be [●][shall be as set out in Table 1 in the Annex to the Product Conditions]. [All references to ● should be understood as references to *[insert details of the Currency: ●1.]*]

[Issue Size [(up to)]]	[●] <i>[in the case of an increase of issue, insert additionally:, which shall be consolidated with the outstanding Securities (ISIN ● / WKN ● / Valor ●) issued on [insert issue date of the Original Securities: ●] [(and increased on [list earlier increases of issue, where applicable: ●])] and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a total issue size of ●).]</i> [shall be as set out in Table 1 in the Annex to the Product Conditions]

Nominal Amount

[Reduced Nominal Amount •]

[Total Nominal Amount (up to) • *[in the case of an increase of issue, insert additionally: , which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on [insert issue date of the Original Securities: •] [(and increased on [list earlier increases of issue, where applicable: •])]* and form a single issue within the meaning of section 13 of the General Terms and Conditions (corresponding to a cumulative Total Nominal Amount of •).]

Issue Date ●

[Fixing Date •]

Valuation Date [●][as set out in Table 1 in the Annex to the Product Conditions]

If the Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] *[insert modified provision, where applicable: ●]*.

[insert only in case of Italian Uncertificated Certificates:

Expiry Date (*Data di Scadenza*) [shall mean the Valuation Date.] **[●]** Business Days following the Valuation Date.] [as set out in Table 1 in the Annex to the Product Conditions] **[●]**

Maturity Date [●][as set out in Table 1 in the Annex to the Product Conditions]

Product Features	shall mean the Underlying, the Strike <i>[for Barrier: , the Barrier] [for Chance: , the [Bonus Threshold] [Bonus Thresholds]] [for Lock-in: , [the Lock-in Level] [the Lock-in Levels]]</i> and the Ratio.

Underlying [insert description of Underlying: •] [shall be as set out in Table 1 in the Annex to the Product Conditions]

[In the case of *shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities and indices* as the Underlying, insert:

[ISIN Underlying: [●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg]] symbol: [●] [as set out for the respective Underlying in Table

2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Derivatives Exchange: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **indices** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one index point corresponds to one unit of the Currency of the Underlying.]]

*[In the case of **bonds** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Derivatives Exchange: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **commodities** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Unit of Measurement: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Valuation Time: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **futures** or **interest rate futures** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg][•] symbol: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Reference Agent: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Derivatives Exchange: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[Currency: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **interest rate futures** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one percentage point in the pricing of the Underlying by the Reference Agent shall correspond to one unit of the Currency of the Underlying.]]

*[In the case of **exchange rates** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Base Currency / Strike Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Page:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[The "Currency of the Underlying" shall correspond to the Strike Currency.]]

*[In the case of **interest rates** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Page:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **investment units** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **virtual currencies** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] Symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Base Currency / Strike Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Page:	[•] [as set out for the respective Underlying in Table

2 in the Annex to the Product Conditions]]

[All references to ● should be understood as references to *[insert details of the Currency: ●].*]

*[in the event that for **futures** or **interest rate futures** as the Underlying a Rollover is stipulated, insert additionally.*

Underlying on the Issue Date	<i>[insert description of the contract at the time of issue: ●]</i> <i>[[Bloomberg][●] symbol: [insert description of the symbol of the relevant contract at the time of issue: ●]</i>
Current Underlying	[On each Rollover Date a Rollover procedure shall be carried out whereby the Issuer replaces the respective Current Underlying with another Underlying (future) which, except for the expiry date which is further in the future, has the same or comparable contract specifications. The "Current Underlying" from the Issue Date until the first Rollover Date means the "Underlying on the Issue Date", as specified above. On the first Rollover Date this Underlying shall lose its validity and shall be replaced by the Underlying falling due on the Reference Agent in the next following Rollover Month. On each subsequent Rollover Date, the Current Underlying shall be replaced analogously by the underlying contract falling due on the Reference Agent in the next following Rollover Month.] <i>[insert modified provision relating to the Rollover, where applicable: ●]</i>
Rollover Date	[shall be determined in each case by the Calculation Agent in its reasonable discretion <i>[for Securities subject to German law: (sections 315, 317 BGB)]</i> and shall fall within a period of ten trading days prior to the last trading day of the Current Underlying on the Reference Agent. [In the event that the first notice day of the Current Underlying is before its last trading day, the period for the Rollover Date shall begin ten trading days prior to the first notice day and shall end with the last trading day of the Current Underlying.] <i>[insert alternative definition of a Rollover Date: ●]</i>
Rollover Month[s]	<i>[insert corresponding contract months: ●]</i> [means each contract month defined in relation to the Underlying on the Reference Agent].]
Initial Reference Price	[●] [as set out in Table 1 in the Annex to the Product Conditions] <i>[for Best Entry: means [the lowest [Reference Price] [Best Entry Price] of the Underlying during the Best Entry Observation Period][insert alternative definition, where applicable: ●].</i> The Initial Reference Price shall be notified without undue delay after the Fixing Date pursuant to section 12 of the General Terms and Conditions.]
<i>[for Best Entry:</i>	
Best Entry Observation Period	Best Entry Observation Period [shall begin on the Issue Date and shall end on the Fixing Date (inclusive in each case)] [shall begin and end as set out in Table 1 in the Annex to the Product Conditions] <i>[insert alternative Best Entry Observation Period, where applicable: ●].</i>
[Best Entry Price]	Best Entry Price [shall correspond to the Observation Price] [shall be as set out in Table 1 in the Annex to the Product Conditions] <i>[insert alternative definition of the Best Entry Price for an Underlying, where applicable: ●].]</i>
Strike	[●] [as set out in Table 1 in the Annex to the Product Conditions]
Ratio	[● (corresponding to the Nominal Amount divided by the Strike)] [shall be determined on the Fixing Date and shall correspond to the Nominal Amount divided by the Strike]

[shall be as set out in Table 1 in the Annex to the Product Conditions]

[insert alternative method for determining the Ratio, where applicable: •].]

[for Barrier:

Barrier [•] [as set out in Table 1 in the Annex to the Product Conditions]

Barrier Event A Barrier Event shall occur if

[except for *Protect Pro*, insert: the Observation Price of the Underlying is [equal to or] below the Barrier at least once on an Exchange Day within the Observation Period.]

[for *Protect Pro*, insert: the Reference Price of the Underlying is [equal to or] below the Barrier on the Valuation Date.]

[insert alternative definition of a Barrier Event: •]

[for Barrier, except for closing price observation (*Protect Pro*), insert:

Observation Period The Observation Period [shall be from • to • (first day and last day inclusive in each case)] [shall be on •] [shall correspond to the Term] [shall begin on [•]] and end on the Valuation Date (inclusive in each case).]

[shall be as set out in Table 1 in the Annex to the Product Conditions (first day and last day inclusive in each case)]

[insert alternative Observation Period: •]

Observation Price shall mean

[in the case of **shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities, indices, futures or interest rate futures** as the Underlying, insert:

the price of the Underlying determined and published by the Reference Agent.]

[in the case of **bonds, commodities or interest rates** as the Underlying, insert:

the price of the Underlying in the interbank market as determined by the Calculation Agent in its reasonable discretion [for *Securities subject to German law*: (sections 315, 317 BGB)].]

[in the case of **exchange rates** as the Underlying, insert:

each price of the Underlying on the international interbank market at the Valuation Time determined by the Calculation Agent during the Observation Period in its reasonable discretion [for *Securities subject to German law*: (sections 315, 317 BGB)] taking account of the bid and offer prices on the relevant screen page of the Bloomberg financial information service.]

[in the case of **investment units** as the Underlying, insert:

[the price of the Underlying determined and published by the Reference Agent.][the official net asset value for the Underlying, as calculated and published by the Reference Agent and at which it is actually possible to redeem the Underlying.]]

[insert alternative definition of the Observation Price for an Underlying: •]

[as set out in Table 1 in the Annex to the Product Conditions]

[For the purpose of determining the occurrence of a Barrier Event, each Observation Price of the Underlying during the Observation Period shall be relevant.]]

[for Chance:

Bonus Payment Type Conditional Bonus Payment. The provisions of section 5 (6) of the General Terms and Conditions for Conditional Bonus Payments shall apply.

Bonus Event A Bonus Event shall occur if

[the [Reference Price] [Observation Price] of the Underlying is [equal to or] higher than the [relevant] Bonus Threshold [(n)] [at least once] on an Observation Date [(n)].]

[insert alternative provision for the occurrence of a Bonus Event, where applicable: •]

Bonus Threshold [(n)]	[•][as set out in Table 1 in the Annex to the Product Conditions] [means the Bonus Threshold (n) allocated to the respective Observation Date (n), as listed below: <i>[insert table].</i>]

Observation Date [(n)]	[•] [means each Exchange Day beginning from the • and ending with the [Valuation Date]]<i>[insert different date, where applicable: •]</i> (inclusive in each case)]. [If an Observation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] <i>[insert modified provision, where applicable: •]</i>.]

Memory	[Not applicable. The provisions of section 5 (2) of the General Terms and Conditions shall not apply.] [Applicable. Bonus Payments not made may be paid subsequently pursuant to section 5 (2) of the General Terms and Conditions.]

Bonus Amount [(n)]	[•][as set out in Table 1 in the Annex to the Product Conditions] <i>[insert in the case of Conditional Bonus Payments, where applicable: means the Bonus Amount (n) allocated to the respective Observation Date (n), as listed below: [insert table].] [insert calculation formula, where applicable: ; expressed as a formula: •]</i>

Bonus Payment Date [(n)]	[•][as set out in Table 1 in the Annex to the Product Conditions] <i>[insert in the case of Conditional Bonus Payments, where applicable: means the Bonus Payment Date (n) allocated to the respective Observation Date (n), as listed below: [insert table].]</i>

[for Lock-in:

Lock-in Level [(n)]	[•][as set out in Table 1 in the Annex to the Product Conditions] [means the Lock-in Level (n) allocated to the respective Lock-in Observation Date (n), as listed below: <i>[insert table].</i>]

Lock-in Observation Date [(n)]	[•][as set out in Table 1 in the Annex to the Product Conditions] If a Lock-in Observation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] <i>[insert modified provision, where applicable: •]</i>.

Lock-in Event	A Lock-in Event shall occur if [the Reference Price of the Underlying on a Lock-in Observation Date [(n)] is [equal to or] above the [relevant] Lock-in Level [(n)].] <i>[insert alternative provision for the occurrence of a Lock-in Event: •]</i>

Redemption Style	[cash settlement] [(physical) delivery]

Interest Type	[Fixed Interest] [Variable Interest]

Interest Commencement Date	[•][as set out in Table 1 in the Annex to the Product Conditions]

Interest Payment Date(s):	[•][as set out in Table 1 in the Annex to the Product Conditions]

Business Day Convention	[following] [modified following], [adjusted] [unadjusted]

Interest Calculation Method	[30/360] [act/360] [act/365] [act/act]

[for fixed interest, insert:

Interest Rate	[•][as set out in Table 1 in the Annex to the Product Conditions]]

[for variable interest, insert:

Reference Interest Rate	[insert name / description / identification: •][as set out in Table 1 in the Annex to the Product Conditions]

Screen Page:	•

[Spread	[•][as set out in Table 1 in the Annex to the Product Conditions]]

[Multiplication Factor	[•][as set out in Table 1 in the Annex to the Product Conditions]]

[Floor	•]

[Cap	[•] [as set out in Table 1 in the Annex to the Product Conditions]]

Interest Determination Date	shall refer to the [• Business Day preceding the [start] [end]] [first day] of the respective Interest Period.]

[Partial Redemption	On • the investor shall receive a partial repayment of •% of the Nominal Amount.]

Redemption at Maturity	The redemption of the Securities on the Maturity Date (section 3 of the General Terms and Conditions) shall be determined

[Securities with Collateralisation (COSI):

– subject to the occurrence of a Liquidation Event pursuant to section 14 of the General Terms and Conditions –]

in accordance with the following paragraphs.

[for Lock-in: If a Lock-in Event has occurred, the investor shall receive payment of the [reduced] Nominal Amount. Otherwise, the redemption of the Securities shall be determined as follows:]

[Reverse Convertibles with cash settlement Redemption Style:

- (a) The investor shall receive payment of the [reduced] Nominal Amount, if the Reference Price of the Underlying is [equal to or] above the Strike on the Valuation Date.
- (b) The Issuer shall pay a cash settlement, if the Reference Price of the Underlying is [equal to or] below the Strike on the Valuation Date.

[Alternative 1: The cash settlement shall be calculated on the basis of the Reference Price of the Underlying on the Valuation Date multiplied by the Ratio.]

[Alternative 2: The cash settlement shall correspond to the [reduced] Nominal Amount multiplied by the Performance of the Underlying.]]

[Reverse Convertibles with (physical) delivery Redemption Style:

- (a) The investor shall receive payment of the [reduced] Nominal Amount, if the Reference Price of the Underlying is [equal to or] above the Strike on the Valuation Date.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if the Reference Price of the Underlying is [equal to or] below the Strike on the Valuation Date.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. [only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons [for investment units as the Deliverable Asset, insert where applicable:

or it is not possible to determine the NAV in accordance with the definition below], the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Barrier Reverse Convertibles with cash settlement Redemption Style:]

- (a) The investor shall receive payment of the [reduced] Nominal Amount,
 - (i) if a Barrier Event has not occurred or,
 - (ii) if a Barrier Event has occurred, but the Reference Price of the Underlying on the Valuation Date is [equal to or] above the Strike.
- (b) The Issuer shall pay a cash settlement, if a Barrier Event has occurred and the Reference Price of the Underlying on the Valuation Date is [equal to or] below the Strike.

[Alternative 1: The cash settlement shall be calculated on the basis of the Reference Price of the Underlying on the Valuation Date multiplied by the Ratio.]

[Alternative 2: The cash settlement shall correspond to the [reduced] Nominal Amount multiplied by the Performance of the Underlying.]]

[Barrier Reverse Convertibles with (physical) delivery Redemption Style:]

- (a) The investor shall receive payment of the [reduced] Nominal Amount,
 - (i) if a Barrier Event has not occurred or,
 - (ii) if a Barrier Event has occurred, but the Reference Price of the Underlying on the Valuation Date is [equal to or] above the Strike.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred and the Reference Price of the Underlying on the Valuation Date is determined to be [equal to or] below the Strike.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Barrier Reverse Convertibles (Protect Pro) with cash settlement Redemption Style:]

- (a) The investor shall receive payment of the [reduced] Nominal Amount, if a Barrier Event has not occurred.
- (b) The Issuer shall pay a cash settlement, if a Barrier Event has occurred.

[Alternative 1: The cash settlement shall be calculated on the basis of the Reference Price of the Underlying on the Valuation Date multiplied by the Ratio.]

[Alternative 2: The cash settlement shall correspond to the [reduced] Nominal Amount multiplied by the Performance of the Underlying.]]

[Barrier Reverse Convertibles (Protect Pro) with (physical) delivery Redemption Style:]

- (a) The investor shall receive payment of the [reduced] Nominal Amount, if a Barrier Event has not occurred.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the Number of the Deliverable Asset (as defined below)) in a form and with features that are deliverable [on the respective Reference Agent] [for stock

exchange purposes] on the Maturity Date, if a Barrier Event has occurred.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

Reference Price

The Reference Price shall be the relevant rate, price or level of the Underlying for the purpose of determining and calculating the Redemption of the Securities *[for Chance: or for the purpose of determining whether the conditions for a Bonus Payment have been met] [for Lock-in: or the determination of a Lock-in Event]* and shall be derived as follows:

The Reference Price shall be

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

[(a) the value of the Underlying determined and published as the closing price on the Reference Agent]

[(a) the price of the Underlying displayed on page *[screen page: ●]* at the Valuation Time and obtainable from there].

[, and (b) in the absence of such price display, the arithmetical mean of the *[bid prices] [offer prices]* for the Underlying determined and notified at the request of the Calculation Agent by 5 leading market participants that are not affiliated companies of the Issuer or of the Calculation Agent]

[, and with the addition of interest accrued on the Underlying (if the interest is not included in the price determined)].]

*[in the case of **commodities** as the Underlying, insert:*

the price of the Underlying determined by the Reference Agent *[at the Valuation Time].]*

*[in the case of **futures or interest rate futures** as the Underlying, insert:*

the settlement price of the Underlying determined and published on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

the exchange rate determined by the Reference Agent at the Valuation Time and then published on the Reference Page. If the Base Currency of the Underlying (as specified above under "Underlying") is not EUR (euros), then the Calculation Agent shall calculate the Reference Price by dividing the respective exchange rate between EUR and the Strike Currency determined by the Reference Agent at the Valuation Time by the exchange rate between EUR and the Base Currency.]

*[in the case of **interest rates** as the Underlying, insert:*

the interest rate *[determined by the Reference Agent and] published on the Reference Page [at the Valuation Time].]*

*[in the case of **investment units** as the Underlying, insert:*

the value of the Underlying determined and published by the Reference Agent.]

*[in the case of **virtual currencies** as the Underlying, insert:*

the price of the Underlying determined by the Calculation Agent in its reasonable discretion *[for Securities subject to German law: (sections 315, 317 BGB)]* taking account of the prices set for the Underlying on the Reference Agents during the Valuation Date.]

[insert modified provision relating to the determination of the Reference Price, where applicable: ●]

Exchange Day

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

A day on which the Underlying is calculated by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

A day on which [trading in the Underlying takes place on the Reference Agent] [bid and offer prices for the Underlying are set by at least 3 leading market participants].]

*[in the case of **commodities** as the Underlying, insert:*

A day on which the interbank market for the Underlying is open and on which a price for the Underlying is calculated by the Reference Agent.]

*[in the case of **futures or interest rate futures** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

*[in the case of **interest rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

*[in the case of **investment units** as the Underlying, insert:*

A day on which the value of the Underlying is normally determined by the respective Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

A day on which the Reference Agents normally determine a price for the Underlying.]

[insert modified definition of Exchange Day, where applicable: ●]

[in the case of Redemption taking into account the Performance:

Performance

[of the Underlying shall correspond to the quotient of (i) the Reference Price of the Underlying on the Valuation Date and (ii) the [Strike][Initial Reference Price] of the Underlying, expressed as a percentage.] [as set out in Table 1 in the Annex to the Product Conditions]]

[for physical delivery only, insert:

Deliverable Asset

[Underlying][Investment Units][Index Certificates][ETPs] [as set out in Table 1 in the Annex to the Product Conditions]

[for the Underlying as the Deliverable Asset, insert:

Number of the Deliverable Asset

[shall correspond to the Ratio.]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method for determining the Number of the Deliverable Asset, where applicable: ●]]

[for investment units as the Deliverable Asset, insert:

Investment Unit refers to a unit [in][of] *[insert description of the Fund including, inter alia, the fund company, the securities identification number(s): •]* [as set out in Table 1 in the Annex to the Product Conditions] (the "**Fund**").

Number of the Deliverable Asset shall be determined on the Valuation Date and [shall correspond]
[to the quotient of (i) the Reference Price of the Underlying on the Valuation Date multiplied by the Ratio and (ii) the NAV of the Investment Unit on the Valuation Date; expressed as a formula:

$$\text{Number of the Deliverable Asset} = \frac{M \times RP_{\text{Underlying}}}{NAV_{\text{Investment Unit}}}$$

, where:

$RP_{\text{Underlying}}$ = Reference Price of the Underlying on the Valuation Date,

M = Ratio, and

$NAV_{\text{Investment Unit}}$ = NAV of the Investment Unit on the Valuation Date.]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method of calculating the Number of the Deliverable Asset, where applicable: •]

NAV of the Investment Unit means [the net asset value of the Investment Unit calculated on a Business Day by the custodian bank specified in the Information Document and published on the Fund's website *[(specify website, if known: •)]*. If the net asset value is not calculated on the Valuation Date, then the NAV shall be the net asset value of the Investment Unit calculated by the aforementioned agent and published on the next following Business Day.] *[insert alternative definition of the NAV, where applicable: •]*

Information Document means the sales prospectus or other prospectus prepared with respect to the Investment Unit or the information memorandum prepared with respect to the Investment Unit, as amended respectively.]

[for index certificates and ETPs as the Deliverable Asset, insert:

[Index Certificates] [ETPs] means the *[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: •]* [as set out in Table 1 in the Annex to the Product Conditions] (the "[**Index Certificates**] [ETPs]").

Number of the Deliverable Asset [• (corresponding to the Ratio divided by the Investment Ratio of the [Index Certificates][ETPs])]

[shall be determined on the Fixing Date and shall correspond to the Ratio divided by the Investment Ratio of the [Index Certificates][ETPs]]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method for determining the Number of the Deliverable Asset, where applicable: •].

Investment Ratio • (as specified in the Information Document).

Information Document means the securities prospectus or other prospectus prepared with respect to the [Index Certificates][ETPs] or the information memorandum prepared with respect to the [Index Certificates][ETPs], as amended respectively.]

Fractional Amount shall correspond to the amount determined by multiplying the fraction of the Number of the Deliverable Asset by

[in the event that the Underlying is delivered, insert: the Reference Price of the Underlying on the Valuation Date]

[in the event that Investment Units are delivered, insert: the NAV on the Valuation Date]

[in the event that Index Certificates or ETPs are delivered, insert: the Reference Price of the Underlying on the Valuation Date [multiplied by the][divided by the] Investment Ratio of the [Index Certificates][ETPs]]

[insert alternative method for determining the Fractional Amount, where applicable: •].

Monetary Value

shall correspond

[in the event that the Underlying or Index Certificates or ETPs are delivered, insert: to the Reference Price of the Underlying on the Valuation Date multiplied by the Number of the Deliverable Asset]

[in the event that Investment Units are delivered, insert: to the NAV on the Valuation Date multiplied by the Ratio]

[insert alternative method for determining the Monetary Value, where applicable: •].

Currency Conversion

[if currency hedging (Quanto) is not provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency in accordance with the Conversion Rate.

"Conversion Rate" means

[the relevant conversion rate as determined for the Valuation Date by Bloomberg L.P. at around 2:00 p.m. (local time in Frankfurt am Main) and published on the web page <http://www.bloomberg.com/markets/currencies/fx-fixings>.]

[insert different definition of the Conversion Rate, where applicable: •]

[insert additionally, where applicable: If such conversion rate is not determined or published [or if the method of calculation of such conversion rate is materially modified or the normal publication time is changed by more than 30 minutes], the Calculation Agent shall determine the Conversion Rate applicable on the Valuation Date at the time of determination of the Reference Price in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].]

[if currency hedging (Quanto) is provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency. The conversion shall use a Conversion Rate of 1:1, i.e. one unit of the Currency of the Underlying shall correspond to one unit of the Settlement Currency of the Security ("**Quanto Structure**").]

Registry Type

[German Global Certificates]

[Swiss Uncertified Securities]

[Italian Uncertificated Certificates]

[Danish Uncertificated Securities]

[Dutch Uncertificated Securities]

[Finnish Registered Securities]

[French Dematerialized Bearer Securities]

[Norwegian Registered Securities]

[Swedish Registered Securities]

Guarantor

[Vontobel Holding AG, Zurich (the Swiss Guarantor)]

[Bank Vontobel Europe AG, Munich (the German Guarantor)]

Applicable Adjustment and Market Disruption Provisions

The rules for Adjustments and Market Disruption Events for [shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities] [indices] [bonds] [commodities] [futures or interest rate futures] [exchange rates] [interest rates] [investment units] [virtual currencies] specified in section 6 and section 7 of the General Conditions shall

apply to this Security.

Extraordinary Right of
Termination of the Issuer

Applicable ([excluding][including] Hedging Disruption Events)

Securities with Collateralisation

[The Securities **shall not be collateralised**, i.e. the provisions of section 14 of the General Conditions for Securities with Collateralisation shall not be applicable.]

[The Securities **shall be collateralised**, i.e. the provisions of section 14 of the General Terms and Conditions for Securities with Collateralisation shall be applicable.]

Method for determining the Current Value of the Security:

[Method A: Fair Value procedure]

[Method B: Bond Floor procedure]

]

8.2.12 Product Conditions for (Best Entry) (Chance) (Lock-in) (Floored) (Floater) (Barrier) Multi Reverse Convertibles

[

[insert only in case of multiple series of Securities:

ISIN [/ WKN] [/ Valor] [/] *[insert* [• [/ •] [/ •] [/] *[insert another securities identification number, if any: •]]* [as set out in Table 1 in another securities identification the Annex to the Product Conditions]]
number, if any: •]

Type of Security [Best Entry] [Chance] [Lock-in] [Floored] [Floater] [Barrier] Multi Reverse Convertibles
[Quanto] [with Collateralisation (COSI)]

Settlement Currency of the Securities shall be [•][shall be as set out in Table 1 in the Annex to the Product Conditions]. [All references to • should be understood as references to *[insert details of the Currency: •]*.]

[Issue Size [(up to)] [•] *[in the case of an increase of issue, insert additionally: , which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on [insert issue date of the Original Securities: •] [(and increased on [list earlier increases of issue, where applicable: •])] and form a single issue within the meaning of section 13 of the General Conditions (corresponding to a total issue size of •.)]* [shall be as set out in Table 1 in the Annex to the Product Conditions]

Nominal Amount •

[Reduced Nominal Amount •]

[Total Nominal Amount (up to) • *[in the case of an increase of issue, insert additionally: , which shall be consolidated with the outstanding Securities (ISIN • / WKN • / Valor •) issued on [insert issue date of the Original Securities: •] [(and increased on [list earlier increases of issue, where applicable: •])] and form a single issue within the meaning of section 13 of the General Terms and Conditions (corresponding to a cumulative Total Nominal Amount of •.)]*

Issue Date •

[Fixing Date •]

Valuation Date [•][as set out in Table 1 in the Annex to the Product Conditions]
If the Valuation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] *[insert modified provision, where applicable: •]*.

[insert only in case of Italian Uncertificated Certificates:

Expiry Date (*Data di Scadenza*) [shall mean the Valuation Date.] [[•] Business Days following the Valuation Date.] [as set out in Table 1 in the Annex to the Product Conditions] [•]]

Maturity Date [•][as set out in Table 1 in the Annex to the Product Conditions]

Product Features shall mean the Underlyings, the Strikes *[for Barrier: , the Barriers] [for Chance: , the Bonus Thresholds] [for Lock-in: , the Lock-in Levels]* and the Ratios.

Underlyings *[list Underlyings in order: •]* [shall be as set out in Table 1 in the Annex to the Product Conditions]

[insert description of Underlying: •] [shall be as set out in Table 1 in the Annex to the Product Conditions]

*[In the case of **shares, securities representing shares (ADRs or GDRs), other dividend-bearing securities and indices** as the Underlying, insert:*

[ISIN Underlying: [•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[[Bloomberg]][●] symbol:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

*[In the case of **indices** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one index point corresponds to one unit of the Currency of the Underlying.]]

*[In the case of **bonds** as the Underlying, insert:*

[ISIN Underlying:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg]][●] symbol:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **commodities** as the Underlying, insert:*

[ISIN Underlying:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg]][●] symbol:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Unit of Measurement:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **futures** or **interest rate futures** as the Underlying, insert:*

[ISIN Underlying:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg]][●] symbol:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Derivatives Exchange:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[●] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **interest rate futures** as the Underlying, insert additionally:*

For the purposes of the Terms and Conditions, one percentage point in the pricing of the Underlying by the Reference Agent shall correspond to one unit of the Currency of the Underlying.]]

*[In the case of **exchange rates** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Base Currency / Strike Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Page:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]

[The "Currency of the Underlying" shall correspond to the Strike Currency.]]

*[In the case of **interest rates** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Page:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Valuation Time:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **investment units** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

*[In the case of **virtual currencies** as the Underlying, insert:*

[ISIN Underlying:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[[Bloomberg][•] Symbol:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Base Currency / Strike Currency:	[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]
[Reference Agent:	[•] [as set out for the respective Underlying in Table

2 in the Annex to the Product Conditions]]

[Reference Page:

[•] [as set out for the respective Underlying in Table 2 in the Annex to the Product Conditions]]]

[All references to • should be understood as references to *[insert details of the Currency: •]*.]

Initial Reference Price

[Underlying 1]

[•] [as set out in Table 1 in the Annex to the Product Conditions] *[for Best Entry: means [the lowest [Reference Price] [Best Entry Price] of the Underlying during the Best Entry Observation Period][insert alternative definition, where applicable: •]*

[Underlying 2]

[•] [as set out in Table 1 in the Annex to the Product Conditions] *[for Best Entry: means [the lowest [Reference Price] [Best Entry Price] of the Underlying during the Best Entry Observation Period][insert alternative definition, where applicable: •]*

[list additional Underlying(s), where applicable]

[•] [as set out in Table 1 in the Annex to the Product Conditions] *[for Best Entry: means [the lowest [Reference Price] [Best Entry Price] of the Underlying during the Best Entry Observation Period][insert alternative definition, where applicable: •]]*

[for Best Entry: The respective Initial Reference Price shall be notified without undue delay after the Fixing Date pursuant to section 12 of the General Terms and Conditions.]

[for Best Entry:

Best Entry Observation Period

Best Entry Observation Period

[shall begin on the Issue Date and shall end on the Fixing Date (inclusive in each case)]

[shall begin and end as set out in Table 1 in the Annex to the Product Conditions]

[insert alternative Best Entry Observation Period, where applicable: •].

[Best Entry Price

Best Entry Price

[shall correspond to the Observation Price]

[shall be as set out in Table 1 in the Annex to the Product Conditions]

[insert alternative definition of the Best Entry Price for an Underlying, where applicable: •.]]

Strike

[Underlying 1]

[•] [as set out in Table 1 in the Annex to the Product Conditions]

[Underlying 2]

[•] [as set out in Table 1 in the Annex to the Product Conditions]

[list additional Underlying(s), where applicable]

[•] [as set out in Table 1 in the Annex to the Product Conditions]

Ratio

[Underlying 1]

[•][shall be as set out in Table 1 in the Annex to the Product Conditions] [shall be determined on the Fixing Date and shall correspond to the Nominal Amount divided by the Strike]

	[Underlying 2]	[●][shall be as set out in Table 1 in the Annex to the Product Conditions] [shall be determined on the Fixing Date and shall correspond to the Nominal Amount divided by the Strike]
	[list additional Underlying(s), where applicable]	[●][shall be as set out in Table 1 in the Annex to the Product Conditions] [shall be determined on the Fixing Date and shall correspond to the Nominal Amount divided by the Strike]]
[insert alternative method for determining the Ratio for the Underlyings, where applicable: ●]]		
[for Barrier:		
Barrier	[Underlying 1]	[●] [as set out in Table 1 in the Annex to the Product Conditions]
	[Underlying 2]	[●] [as set out in Table 1 in the Annex to the Product Conditions]
	[list additional Underlying(s), where applicable]	[●] [as set out in Table 1 in the Annex to the Product Conditions]]
Barrier Event	A Barrier Event shall occur if [except for Protect Pro, insert: the Observation Price of at least one Underlying is [equal to or] below the applicable Barrier for the respective Underlying at least once on an Exchange Day within the Observation Period.] [for Protect Pro, insert: the Reference Price of at least one Underlying is [equal to or] below the applicable Barrier for the respective Underlying on the Valuation Date.]] [insert alternative definition of a Barrier Event: ●]	
[insert, except for Protect Pro:		
Observation Period	The Observation Period [shall be from ● to ● (first day and last day inclusive in each case)] [shall be on ●] [shall correspond to the Term] [shall begin on [●] and end on the Valuation Date (inclusive in each case)]. [shall be as set out in Table 1 in the Annex to the Product Conditions (first day and last day inclusive in each case)] [insert alternative Observation Period: ●]]	
[for Barrier, except for Protect Pro, insert:		
Observation Price	shall mean [in the case of shares, securities representing shares (ADRs and GDRs), other dividend-bearing securities, indices, futures or interest rate futures as the Underlying, insert: the price of the respective Underlying determined and published by the Reference Agent.] [in the case of bonds, commodities or interest rates as the Underlying, insert: the price of the respective Underlying in the interbank market as determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].] [in the case of exchange rates as the Underlying, insert: each price of the respective Underlying on the international interbank market at the Valuation Time determined by the Calculation Agent during the Observation Period in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of the bid and offer prices on the relevant screen page of the Bloomberg financial	

information service.]

[in the case of **investment units** as the Underlying, insert:

[the price of the respective Underlying determined and published by the Reference Agent.][the official net asset value for the respective Underlying, as calculated and published by the Reference Agent and at which it is actually possible to redeem the Underlying.]]

[insert alternative definition of the Observation Price for an Underlying: ●]

[as set out in Table 1 in the Annex to the Product Conditions]

[For the purpose of determining the occurrence of a Barrier Event, each Observation Price of an Underlying during the Observation Period shall be relevant.]]

[for Chance (i.e. in the case of Conditional Bonus Payments):

Bonus Payment Type	Conditional Bonus Payment. The provisions of section 5 (6) of the General Terms and Conditions for Conditional Bonus Payments shall apply.

Bonus Event	A Bonus Event shall occur if [the [Reference Price] [Observation Price] of all the Underlyings is [equal to or] higher than the [relevant] Bonus Threshold [(n)] [at least once] on an Observation Date [(n)].] [insert alternative provision for the occurrence of a Bonus Event, where applicable: ●]

Bonus Threshold [(n)]	[insert only if the Bonus Threshold is different on one or more Observation Dates: means the Bonus Threshold (n) allocated to the respective Observation Date (n), as listed below for each Underlying:]

[Underlying 1]	[●][as set out in Table 1 in the Annex to the Product Conditions]

[Underlying 2]	[●][as set out in Table 1 in the Annex to the Product Conditions]

[list additional Underlying(s), where applicable]	[●][as set out in Table 1 in the Annex to the Product Conditions]

Observation Date [(n)]	[●] [means each Exchange Day beginning from the ● and ending with the [Valuation Date][insert different date, where applicable: ●] (inclusive in each case)].

[If an Observation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] [insert modified provision, where applicable: ●].

Memory	[Not applicable. The provisions of section 5 (2) of the General Terms and Conditions shall not apply.]

[Applicable. Bonus Payments not made may be paid subsequently pursuant to section 5 (2) of the General Terms and Conditions.]]

Bonus Amount [(n)]	[●][as set out in Table 1 in the Annex to the Product Conditions] [insert in the case of Conditional Bonus Payments, where applicable: means the Bonus Amount (n) allocated to the respective Observation Date (n), as listed below: [insert table].] [insert calculation formula, where applicable: ; expressed as a formula: ●]

Bonus Payment Date [(n)]	[●][as set out in Table 1 in the Annex to the Product Conditions] [insert in the case of Conditional Bonus Payments, where applicable: means the Bonus Payment Date (n) allocated to the respective Observation Date (n), as listed below: [insert table].]]

[for Lock-in:

Lock-in Level [(n)]	<i>[insert only if the Lock-in Level is different on one or more Valuation Dates: means the Lock-in Level (n) allocated to the respective Lock-in Observation Date (n), as listed below for each Underlying:]</i> <i>[Underlying 1]</i> [●][as set out in Table 1 in the Annex to the Product Conditions] <i>[Underlying 2]</i> [●][as set out in Table 1 in the Annex to the Product Conditions] <i>[list additional Underlying(s), where applicable]</i> [●][as set out in Table 1 in the Annex to the Product Conditions]
Lock-in Observation Date [(n)]	[●][as set out in Table 1 in the Annex to the Product Conditions] If a Lock-in Observation Date is not an Exchange Day, it shall be postponed to [the next following Exchange Day] <i>[insert modified provision, where applicable: ●]</i>.
Lock-in Event	A Lock-in Event shall occur if [the Reference Price of all the Underlyings on a Lock-in Observation Date [(n)] is [equal to or] above the respective [relevant] Lock-in Level [(n)].] <i>[insert alternative provision for the occurrence of a Lock-in Event: ●]</i>
Redemption Style	[cash settlement] [(physical) delivery]
Interest Type	[Fixed Interest] [Variable Interest]
Interest Commencement Date	[●][as set out in Table 1 in the Annex to the Product Conditions]
Interest Payment Date(s):	[●][as set out in Table 1 in the Annex to the Product Conditions]
Interest Calculation Method	[30/360] [act/360] [act/365] [act/act]
Business Day Convention	[following] [modified following], [adjusted] [unadjusted]
<i>[for fixed interest, insert:</i>	
Interest Rate	[●][as set out in Table 1 in the Annex to the Product Conditions]
<i>[For variable interest, insert:</i>	
Reference Interest Rate	<i>[insert name / description / identification: ●]</i> [as set out in Table 1 in the Annex to the Product Conditions]
Screen Page:	●
[Spread	[●][as set out in Table 1 in the Annex to the Product Conditions]
[Multiplication Factor	[●][as set out in Table 1 in the Annex to the Product Conditions]
[Floor	●]
[Cap	[●] [as set out in Table 1 in the Annex to the Product Conditions]
Interest Determination Date	shall refer to the [● Business Day preceding the [start] [end]] [first day] of the respective Interest Period.]
[Partial Redemption	On [●] the investor shall receive a partial repayment of [●]% of the Nominal Amount.]
Redemption at Maturity	The redemption of the Securities on the Maturity Date (section 3 of the General Terms and Conditions) shall be determined

[Securities with Collateralisation (COSI):

– subject to the occurrence of a Liquidation Event pursuant to section 14 of the General Terms and Conditions –]

in accordance with the following paragraphs.

[for Lock-in: If a Lock-in Event has occurred, the investor shall receive payment of the [reduced] Nominal Amount. Otherwise, the redemption of the Securities shall be determined as follows:]

[Multi Reverse Convertibles with cash settlement Redemption Style:

- (a) The investor shall receive payment of the [reduced] Nominal Amount, if the Reference Price of all the Underlyings is [equal to or] above the respective Strike on the Valuation Date.
- (b) The Issuer shall pay a cash settlement, if the Reference Price of at least one Underlying on the Valuation Date is [equal to or] below the respective Strike.

[Alternative 1: The cash settlement shall be calculated from the Reference Price of the Underlying with the Relevant Performance on the Valuation Date multiplied by the corresponding Ratio.]

[Alternative 2: The cash settlement shall correspond to the [reduced] Nominal Amount multiplied by the Performance of the Underlying with the Relevant Performance.])

[Multi Reverse Convertibles with (physical) delivery Redemption Style:

- (a) The investor shall receive payment of the [reduced] Nominal Amount, if the Reference Price of all the Underlyings is [equal to or] above the respective Strike on the Valuation Date.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the number of Deliverable Assets corresponding to the respective Ratio) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if the Reference Price of at least one Underlying is [equal to or] below the respective Strike on the Valuation Date.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs:* The delivery of definitive securities to the Security Holders shall be excluded.]

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable:* or it is not possible to determine the NAV in accordance with the definition below], the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Barrier Multi Reverse Convertibles with cash settlement Redemption Style:

- (a) The investor shall receive payment of the [reduced] Nominal Amount,
 - (i) if a Barrier Event has not occurred or,
 - (ii) if a Barrier Event has occurred, but the Reference Price of all the Underlyings on the Valuation Date is [equal to or] above the respective Strike.
- (b) The Issuer shall pay a cash settlement, if a Barrier Event has occurred and the Reference Price of at least one Underlying on the Valuation Date is [equal to or] below the respective Strike.

[Alternative 1: The cash settlement shall be calculated from the Reference Price of the Underlying with the Relevant Performance on the Valuation Date multiplied by the corresponding Ratio.]

[Alternative 2: The cash settlement shall correspond to the [reduced] Nominal Amount multiplied by the Performance of the Underlying with the Relevant Performance.])

[Barrier Multi Reverse Convertibles with (physical) delivery Redemption Style:

- (a) The investor shall receive payment of the [reduced] Nominal Amount,
 - (i) if a Barrier Event has not occurred or,
 - (ii) if a Barrier Event has occurred, but the Reference Price of all the Underlyings on the Valuation Date is [equal to or] above the respective Strike.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the number of Deliverable Assets corresponding to the respective Ratio) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred and the Reference Price of at least one Underlying is [equal to or] below the respective Strike on the Valuation Date.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Barrier Multi Reverse Convertibles (Protect Pro) with cash settlement Redemption Style:

- (a) The investor shall receive payment of the [reduced] Nominal Amount, if a Barrier Event has not occurred.
- (b) The Issuer shall pay a cash settlement, if a Barrier Event has occurred.

[Alternative 1: The cash settlement shall be calculated from the Reference Price of the Underlying with the Relevant Performance on the Valuation Date multiplied by the corresponding Ratio.]

[Alternative 2: The cash settlement shall correspond to the [reduced] Nominal Amount multiplied by the Performance of the Underlying with the Relevant Performance.]]

[Barrier Multi Reverse Convertibles (Protect Pro) with (physical) delivery Redemption Style:

- (a) The investor shall receive payment of the [reduced] Nominal Amount, if a Barrier Event has not occurred.
- (b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the number of Deliverable Assets corresponding to the respective Ratio) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

[Barrier Multi Reverse Convertibles with Participation and cash settlement Redemption Style:

- (a) If a Barrier Event has not occurred, the Issuer shall pay a cash settlement

corresponding to the higher of the following values:

(i) the [reduced] Nominal Amount or

(ii) the [reduced] Nominal Amount plus the product of (i) the [reduced] Nominal Amount and (ii) the arithmetic mean of the Upside Performances of all the Underlyings[, provided that the cash settlement shall be limited to the Maximum Amount] *[insert calculation formula, where applicable: ; expressed as a formula: •]*.

(b) The Issuer shall pay a cash settlement, if a Barrier Event has occurred.

[Alternative 1: The cash settlement shall be calculated from the Reference Price of the Underlying with the Relevant Performance on the Valuation Date multiplied by the corresponding Ratio.]

[Alternative 2: The cash settlement shall correspond to the [reduced] Nominal Amount multiplied by the Performance of the Underlying with the Relevant Performance.]]

[Barrier Multi Reverse Convertibles with Participation and (physical) delivery Redemption Style:

(a) If a Barrier Event has not occurred, the Issuer shall pay a cash settlement corresponding to the higher of the following values:

(i) the [reduced] Nominal Amount or

(ii) the [reduced] Nominal Amount plus the product of (i) the [reduced] Nominal Amount and (ii) the arithmetic mean of the Upside Performances of all the Underlyings[, provided that the cash settlement shall be limited to the Maximum Amount] *[insert calculation formula, where applicable: ; expressed as a formula: •]*.

(b) The Issuer shall redeem the Security by delivering the Deliverable Asset (in accordance with the number of Deliverable Assets corresponding to the respective Ratio) in a form and with features that are deliverable [on the respective Reference Agent] [for stock exchange purposes] on the Maturity Date, if a Barrier Event has occurred.

Fractions of the Deliverable Asset shall not be delivered. Instead of delivering the relevant fraction, the Issuer shall pay the Fractional Amount (as defined below). The consolidation of a number of Fractional Amounts to create claims for the delivery of the Deliverable Asset shall be excluded. *[only for the delivery of shares, bonds, index certificates or ETPs: The delivery of definitive securities to the Security Holders shall be excluded.]*

If it is not possible to deliver the Deliverable Asset on the Maturity Date for economic or factual reasons *[for investment units as the Deliverable Asset, insert where applicable: or it is not possible to determine the NAV in accordance with the definition below]*, the Issuer shall have the right to pay a Cash Amount equal to the Monetary Value (as defined below) instead of delivering the Deliverable Asset.]

Reference Price

The Reference Price shall be the relevant rate, price or level of the respective Underlying for the purpose of determining and calculating the Redemption of the Securities *[for Chance: or for the purpose of determining whether the conditions for a Bonus Payment have been met] [for Lock-in: or the determination of a Lock-in Event]* and shall be derived as follows:

The Reference Price shall be

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

the closing price of the Underlying determined and published by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

[(a) the value of the Underlying determined and published as the closing price on the Reference Agent]

[(a) the price of the Underlying displayed on page *[screen page: •]* at the Valuation Time

and obtainable from there].

[, and (b) in the absence of such price display, the arithmetical mean of the [bid prices] [offer prices] for the Underlying determined and notified at the request of the Calculation Agent by 5 leading market participants that are not affiliated companies of the Issuer or of the Calculation Agent]

[, and with the addition of interest accrued on the Underlying (if the interest is not included in the price determined)].]

*[in the case of **commodities** as the Underlying, insert:*

the price of the Underlying determined by the Reference Agent [at the Valuation Time].]

*[in the case of **futures** or **interest rate futures** as the Underlying, insert:*

the settlement price of the Underlying determined and published on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

the exchange rate determined by the Reference Agent at the Valuation Time and then published on the Reference Page. If the Base Currency of the Underlying (as specified above under "Underlying") is not EUR (euros), then the Calculation Agent shall calculate the Reference Price by dividing the respective exchange rate between EUR and the Strike Currency determined by the Reference Agent at the Valuation Time by the exchange rate between EUR and the Base Currency.]

*[in the case of **interest rates** as the Underlying, insert:*

the interest rate [determined by the Reference Agent and] published on the Reference Page [at the Valuation Time].]

*[in the case of **investment units** as the Underlying, insert:*

the value of the Underlying determined and published by the Reference Agent.]

*[In the case of **virtual currencies** as the Underlying, insert:*

the price of the Underlying determined by the Calculation Agent in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)] taking account of the prices set for the Underlying on the Reference Agents during the Valuation Date.]

[insert modified provision relating to the determination of the Reference Price, where applicable: ●]

Exchange Day

*[in the case of **shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **indices** as the Underlying, insert:*

A day on which the Underlying is calculated by the Reference Agent.]

*[in the case of **bonds** as the Underlying, insert:*

A day on which [trading in the Underlying takes place on the Reference Agent] [bid and offer prices for the Underlying are set by at least 3 leading market participants].]

*[in the case of **commodities** as the Underlying, insert:*

A day on which the interbank market for the Underlying is open and on which a price for the Underlying is calculated by the Reference Agent.]

*[in the case of **futures** or **interest rate futures** as the Underlying, insert:*

A day on which trading in the Underlying takes place on the Reference Agent.]

*[in the case of **exchange rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

*[in the case of **interest rates** as the Underlying, insert:*

A day on which the Reference Agent normally fixes a price for the Underlying.]

[in the case of **investment units** as the Underlying, insert:

A day on which the value of the Underlying is normally determined by the respective Reference Agent.]

[In the case of **virtual currencies** as the Underlying, insert:

A day on which the Reference Agents normally determine a price for the Underlying.]

[insert modified definition of Exchange Day, where applicable: •]

Performance	[of the respective Underlying shall correspond to the quotient of (i) the Reference Price of the respective Underlying on the Valuation Date and (ii) the [Strike][Initial Reference Price] of the respective Underlying, expressed as a percentage.] [as set out in Table 1 in the Annex to the Product Conditions]

[Relevant Performance	means the Performance of the Underlying showing the [lowest] [highest] [•] Performance in relation to the other Underlyings. If several Underlyings show identical Performance, the Issuer shall be entitled to decide in its reasonable discretion which of the Underlyings concerned shall be used for the purpose of calculating the Relevant Performance within the meaning of these Terms and Conditions.]

[for Multi with Participation:

Upside Performance	of the respective Underlying shall correspond [to the Performance of the respective Underlying in excess of the respective [Strike][Initial Reference Price] [taking into account the Participation Factor]. This means, the Upside Performance shall correspond to the difference[, multiplied by the Participation Factor,] between the quotient, expressed as a percentage, of (i) the Reference Price of the respective Underlying on the Valuation Date and (ii) the [Strike][Initial Reference Price] of the respective Underlying and one (1); expressed as a formula:

$$\text{Upside Performance} = \left(\frac{RP_V}{[S][RP_I]} - 1 \right) [\times PF]$$

where:

[S: Strike]

RP_V: Reference Price of the respective Underlying on the Valuation Date

[RP_I: Reference Price of the respective Underlying on the Issue Date]

PF: Participation Factor.]

[insert modified definition of Upside Performance, where applicable: •]

[Participation Factor	•]

[Maximum Amount	[shall be •] [shall be as set out in Table 1 in the Annex to the Product Conditions]]

[for physical delivery only, insert:

Deliverable Asset	[Underlying with the Relevant Performance] [[Investment Units][Index Certificates][ETPs] linked to the Underlying with the Relevant Performance]

[for an Underlying as the Deliverable Asset, insert:

Number of the Deliverable Asset	[shall correspond to the Ratio of the Underlying with the Relevant Performance.] [shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method for determining the Number of the Deliverable Asset for the Underlyings, where applicable: •]]

[for investment units as the Deliverable Asset, insert:

Investment Unit refers to a unit [in][of] *[insert description of the Fund including, inter alia, the fund company, the securities identification number(s): •]* [as set out in Table 1 in the Annex to the Product Conditions] (the "**Fund**").

Number of the Deliverable Asset

shall be determined on the Valuation Date and [shall correspond]

[to the quotient of (i) the Reference Price of the Underlying with the Relevant Performance on the Valuation Date multiplied by the Ratio of the Underlying with the Relevant Performance and (ii) the NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Valuation Date; expressed as a formula:

$$\text{Number of the Deliverable Asset} = \frac{M_{\text{Underlying}} \times RP_{\text{Underlying}}}{NAV_{\text{Investment Unit}}}$$

, where:

$RP_{\text{Underlying}}$ = Reference Price of the Underlying with the Relevant Performance on the Valuation Date

$M_{\text{Underlying}}$ = Ratio of the Underlying with the Relevant Performance, and

$NAV_{\text{Investment Unit}}$ = NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Valuation Date.]

[shall be as set out in Table 1 in the Annex to the Product Conditions.]

[insert alternative method of calculating the Number of the Deliverable Asset, where applicable: •]

NAV

of the Investment Unit means [the net asset value of the Investment Unit calculated on a Business Day by the custodian bank specified in the Information Document and published on the Fund's website *[(specify website, if known: •)]*. If the net asset value is not calculated on the Valuation Date, then the NAV shall be the net asset value of the Investment Unit calculated by the aforementioned agent and published on the next following Business Day.] *[insert alternative definition of the NAV, where applicable: •]*

Information Document

means the sales prospectus or other prospectus prepared with respect to the Investment Unit or the information memorandum prepared with respect to the Investment Unit, as amended respectively.]

[for index certificates and ETPs as the Deliverable Asset, insert:

[Index Certificates] [ETPs]

means the *[insert description of the Index Certificates or ETPs including the reference item, ISIN and issuer: •]* [as set out in Table 1 in the Annex to the Product Conditions] (the "[**Index Certificates**] [ETPs]").

Number of the Deliverable Asset

[Index Certificates or ETPs linked to Underlying 1]

[•][shall be as set out in Table 1 in the Annex to the Product Conditions.] [shall be determined on the Fixing Date and shall correspond to the Investment Ratio of the [Index Certificates][ETPs] multiplied by the Ratio of the respective Underlying]

[Index Certificates or ETPs linked to Underlying 2]

[•][shall be as set out in Table 1 in the Annex to the Product Conditions.] [shall be determined on the Fixing Date and shall correspond to the Investment Ratio of the [Index Certificates][ETPs] multiplied by the Ratio of the respective Underlying]

[list Index Certificates or ETPs linked to additional Underlying(s), where applicable]

[•][shall be as set out in Table 1 in the Annex to the Product Conditions.] [shall be determined on the Fixing Date and shall correspond to the Investment Ratio of the [Index Certificates][ETPs] multiplied by the Ratio of the respective Underlying]

[if the Ratio is specified before or at the start of the offer, insert where applicable: The Number of the Deliverable Asset indicated above corresponds to the Investment Ratio of the respective relevant [Index Certificates][ETPs] multiplied by the Ratio of the respective

Underlying.]

[insert alternative method for determining the Number of the Deliverable Asset for the Index Certificates or ETPs linked to the Underlyings, where applicable: •]

Investment Ratio

[Index Certificates or ETPs linked to Underlying 1] •

[Index Certificates or ETPs linked to Underlying 2] •

[list Index Certificates or ETPs linked to additional Underlying(s), where applicable] •]

The Investment Ratios above are specified in the respective Information Document.

Information Document

means the securities prospectus or other prospectus prepared with respect to the [Index Certificates][ETPs] or the information memorandum prepared with respect to the [Index Certificates][ETPs], as amended respectively.]

Fractional Amount

shall correspond to the amount determined by multiplying the fraction of the Number of the Deliverable Asset by

[in the event that an Underlying is delivered, insert: the Reference Price of the Underlying with the Relevant Performance on the Valuation Date]

[in the event that Investment Units are delivered, insert: the NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Valuation Date]

[in the event that Index Certificates or ETPs are delivered, insert: the Reference Price of the Underlying with the Relevant Performance on the Valuation Date [multiplied by the][divided by the] Investment Ratio of the [Index Certificates][ETPs] linked to it]

[insert alternative method for determining the Fractional Amount, where applicable: •].

Monetary Value

shall correspond

[in the event that an Underlying or Index Certificates or ETPs are delivered, insert: to the Reference Price of the Underlying with the Relevant Performance on the Valuation Date multiplied by the Number of the Deliverable Asset]

[in the event that Investment Units are delivered, insert: to the NAV of the Investment Unit linked to the Underlying with the Relevant Performance on the Valuation Date multiplied by the Number of the Deliverable Asset]

[insert alternative method for determining the Monetary Value, where applicable: •].

Currency Conversion

[if currency hedging (Quanto) is not provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency in accordance with the Conversion Rate.

"Conversion Rate" means

[the relevant conversion rate as determined for the Valuation Date by Bloomberg L.P. at around 2:00 p.m. (local time in Frankfurt am Main) and published on the web page <http://www.bloomberg.com/markets/currencies/fx-fixings>.]

[insert different definition of the Conversion Rate, where applicable: •]

[insert additionally, where applicable: If such conversion rate is not determined or published [or if the method of calculation of such conversion rate is materially modified or the normal publication time is changed by more than 30 minutes], the Calculation Agent shall determine the Conversion Rate applicable on the Valuation Date at the time of determination of the Reference Price in its reasonable discretion [for Securities subject to German law: (sections 315, 317 BGB)].]

[if currency hedging (Quanto) is provided for, insert:

All monetary amounts payable under the Securities shall be converted into the Settlement Currency. The conversion shall use a Conversion Rate of 1:1, i.e. one unit of the Currency of the Underlying shall correspond to one unit of the Settlement Currency of the Security ("**Quanto Structure**").]

Registry Type	[German Global Certificates] [Swiss Uncertified Securities] [Italian Uncertificated Certificates] [Danish Uncertificated Securities] [Dutch Uncertificated Securities] [Finnish Registered Securities] [French Dematerialized Bearer Securities] [Norwegian Registered Securities] [Swedish Registered Securities]
Guarantor	[Vontobel Holding AG, Zurich (the Swiss Guarantor)] [Bank Vontobel Europe AG, Munich (the German Guarantor)]
Applicable Adjustment and Market Disruption Provisions	The rules for Adjustments and Market Disruption Events for [shares, securities representing shares (ADRs and GDRs) and other dividend-bearing securities] [indices] [bonds] [commodities] [futures or interest rate futures] [exchange rates] [interest rates] [investment units] [virtual currencies] specified in section 6 and section 7 of the General Terms and Conditions shall apply to this Security.
Extraordinary Right of Termination of the Issuer	Applicable ([excluding][including] Hedging Disruption Events)
Securities with Collateralisation	[The Securities shall not be collateralised , i.e. the provisions of section 14 of the General Terms and Conditions for Securities with Collateralisation shall not be applicable.] [The Securities shall be collateralised , i.e. the provisions of section 14 of the General Terms and Conditions for Securities with Collateralisation shall be applicable. Method for determining the Current Value of the Security: [Method A: Fair Value procedure] [Method B: Bond Floor procedure]]

]

Annex to the Product Conditions

The following tables shall only apply in case of Final Terms for multiple series of Securities to be pooled in one set of Final Terms. In such case the product conditions set out above under 8.2.1 to 8.2.12 may refer for some definitions to table 1 which shall cover product information deferring between particular series ("**Table 1**") or to table 2 which shall cover the information about each underlying linked to one or more series of Securities ("**Table 2**"). Both Table 1 and Table 2 shall be annexed to the applicable Product Conditions by completing the placeholders and selecting the relevant options for each series of Securities.

[Table 1 (Product Information)]

ISIN [/]	Option Type	Underlying[s] [[insert asset class of Underlying: •]]	Settlement Currency /	Ratio	[Valuation Date[s]] [/]	Issue Size (up to) /
[WKN] [/]		[/] [Type]	[Initial Reference Price] [/]		[Final Valuation Date[s]]	Issue Price /
[Valor] [/]			[Best Entry Price] [/]		[/]	Minimum Trading Lot
[insert other identification number(s), if applicable: •]]			[Best Entry Observation Period] [/]		[Expiry Date] [/]	
			[Number of the Deliverable Asset] [/]		[Maturity Date]	
			[Reverse Level] [/]			
			[Strike] [/]			
			[Cap] [/]			
			[Maximum Amount] [/]			
			[Redemption Level[s]] [/]			
			[Final Redemption Level[s]] [/]			
			[Redemption Factor] [/]			
			[Bonus Level[s]] [/]			
			[Bonus Threshold[s]] [/]			
			[Bonus Amount[s]] [/]			
			[Observation Date[s]] [/]			
			[Bonus Payment Date[s]] [/]			
			[Interest Commencement Date] [/]			
			[Interest Payment Dates] [/]			
			[Interest Rate] [/]			
			Reference Interest Rate] [/]			
			[Spread] [/]			

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Table 2 (Underlying Information)

UNDERLYING [[<i>INSERT ASSET CLASS OF UNDERLYING: •</i>]] [/ TYPE]	ISIN UNDERLYING [/] [[BLOOMBERG][•] SYMBOL]	[CURRENCY	REFERENCE AGENT	[DERIVATIVES EXCHANGE	[INITIAL UNDERLYING [[[BLOOMBERG][•] SYMBOL]]] [/] [ROLLOVER MONTH(S)]	[VALUATION TIME] [/] [UNIT OF MEASUREMENT] [/] [REFERENCE PRICE]	[BASE CURRENCY / STRIKE CURRENCY] [/] [REFERENCE PAGE]
•	• [/] [•]	•]	•]	•]	[• [(•)] [/] [•]	[•] [/] [•] [/] [•]	[• / •] [/] [•]

[All references to [*insert ISO code of Currency: •*] should be understood as references to [*insert details of the Currency: •*].]

9. Taxation of the Securities

All **taxes and fees or other levies** that may be incurred in connection with a Security (e.g. as a result of the purchase or sale of the Securities during their term or upon the redemption of the Securities by payment of a cash amount) **shall be borne in their entirety by the holder of the respective Security**. The Issuer and/or the Paying Agent has the right to charge any such taxes, fees or levies to the holders of the Securities and may do so, in its due discretion, either by **including them in the calculation of the price** of the Securities or by **withholding the relevant amount** upon the redemption of the Securities or in some other suitable way.

As a general principle, the Issuer accepts no responsibility for the withholding of taxes at source.

9.1 Taxation in Germany

The following description of the tax treatment of the Securities in Germany is not intended to be a comprehensive presentation of all the information necessary for an investment in products of this type. It contains only a general overview of the Issuer's current understanding of the taxation of income from the Securities, and is based on the tax regulations currently in force and the practice of the administrative authorities in Germany in relation to the security structures presented above.

Since, in particular, the personal tax position of the individual investor cannot be taken into account, every investor is recommended to consult a member of the professions specialising in the provision of tax advice prior to making an investment.

In the context of the tax assessment of the individual investor, the opinion of the respective competent tax authority on the tax treatment of income from the Securities may differ in individual cases – especially in the future – from the treatment set out below. It may be possible to eliminate the resulting uncertainty in advance (against payment of a fee) by requesting a binding opinion from the competent tax authority.

9.1.1 Taxation of income in the hands of resident natural persons holding the Securities as private assets

Income from Securities held as private assets is subject to the final withholding tax (*Abgeltungsteuer*) irrespective of whether it represents income from the sale of the Securities or a cash payment to the investor, for example in the form of a cash amount or a bonus amount, a payment of interest, or coupon payments. The length of time between the purchase of the Securities and their sale or the payment of a cash amount is immaterial from a tax point of view.

9.1.2 Deduction of tax at source by the paying agent

The final withholding tax is levied in the form of the deduction of investment income withholding tax at source by the agent paying the investment income ("**paying agent**").

The rate of investment income withholding tax is 25% (plus 5.5% solidarity surcharge and therefore 26.375% in total). If the investor is liable to church tax, the relevant data for the deduction of church tax are stored by the German Federal Central Tax Office (*Bundeszentralamt für Steuern*, "**BZSt**") and made available to the paying agent for the purpose of the retention and payment of the church tax. Investors can veto the provision of information about their religion by the BZSt (the data is then marked as restricted), in which case an assessment to church tax is issued.

If an investor liable to church tax has not vetoed the provision of information by the BZSt, the final withholding tax is reduced by 25% of the church tax chargeable on the investment income. In this way, church tax is deducted on a standardised basis as a special expense.

In the event of the sale or redemption of the Securities, investment income withholding tax is assessed on the difference between the sale proceeds net of the directly and objectively related costs of sale (in the event of a sale), or the amount paid on redemption, on the one hand, and the cost of purchase and incidental costs of purchase for which evidence has been provided, on the other. If evidence of the cost of purchase and incidental costs of purchase is not provided in the form prescribed by law, the amount subject to investment income withholding tax is assumed to be 30% of the proceeds from the sale of the Securities or of the amount paid on redemption. If the assumed basis of assessment is applied, the taxpayer has the option in principle of assessment at the rate of final withholding tax. If the basis of assessment for the purpose of deducting investment income withholding tax is less than the income actually earned, the withholding tax is final only to the extent of the amount of income that was subject to the deduction of tax. An assessment must be issued in respect of the income in excess of that amount.

Any currency gains or losses that may arise if the right represented by the Securities is calculated in terms of a currency other than the settlement currency of the Securities or if the value of an underlying, a basket constituent or an index component is determined in a currency other than the settlement currency of the Securities, form part of the gain or loss on disposal resulting from the sale or redemption of the Securities.

For the purpose of calculating the investment income withholding tax, the paying agent takes into account negative investment income, provided that certain conditions are met and subject to certain limitations, with the exception of negative income from shares which the investor has already realised via the paying agent. This also applies in principle to accrued interest paid. Losses from disposals of shares may only be offset against gains from disposals of shares and can be carried forward to future years if not offset in full in the current year.

The investment income withholding tax levied by the paying agent arises at the time at which the investment income flows to the respective investor (section 44 (1) sentence 2 of the German Income Tax Act (*Einkommensteuergesetz*, "German EStG")). This is normally the time at which the investor is credited with the cash amount or interest (e.g. coupon payments) due to him, or with the proceeds from the sale of the Securities.

The paying agent does not deduct tax from income from the Securities if the investor provides it with a certificate of non-assessment from the investor's tax authority showing that income from the Securities does not give rise to a tax liability for the investor, including in cases where the investor has elected for investment income to be taxed together with other income at the investor's normal income tax rate pursuant to section 32d (6) German EStG (*Günstigerprüfung*).

If the investor has submitted an application for exemption for the purposes of the savers' allowance (see section 9.1.1.3 of this Base Prospectus), the paying agent will not deduct tax for the corresponding amount.

If the respective underlying is delivered to the investor, the cost of the Securities should normally be carried forward in the respective underlying actually delivered in accordance with section 20 (4a) sentence 3 German EStG. The transfer of the respective underlying is therefore generally neutral for tax purposes. A taxable gain or loss then arises only at the time at which the investor disposes of the underlying delivered. In accordance with section 20 (4a) sentence 3 EStG, this also applies to Securities whose performance is dependent on the development of one or more underlyings, for example an index or a basket of shares, and for which both the repayment of capital and the generation of income are uncertain ("full risk certificates", Federal Ministry of Finance (*Bundesministerium der Finanzen*, "BMF" circular dated 18 January 2016, Federal Tax Gazette (*Bundessteuerblatt*, "BStBl.") 2016 I, page 85, text number 105).

If the investor also receives a fractional amount in respect of fractions of the respective underlying calculated as due to him that, in accordance with the Terms and Conditions, are not delivered but are settled in cash, this payment must in principle be treated as investment income within the meaning of section 20 (1) no. 7 German EStG and the full amount is subject to investment income withholding tax at the time the payment is made (BMF circular dated 18 January 2016, BStBl. 2016 I, page 85, text number 106). The only exception to this is where the Terms and Conditions make clear provision in advance relating to redemption in cash or physical securities, i.e. where the Issuer establishes in advance a specific basis for allocating the cost of the Securities, and will follow that procedure at the end of the term (BMF circular dated 18 January 2016, BStBl. 2016 I, page 85, text number 107). Only if this is the case is the cost of the Securities allocated to all the underlyings, including the fractions not actually delivered, calculated as being attributable to the investor and only then is the payment of the fractional amount treated as a (tax-neutral) disposal of the fractions not actually delivered. This treatment results in a corresponding reduction in the cost attributed to the underlyings actually delivered which may lead – in the event of the subsequent disposal of the underlyings delivered – to a higher (taxable) gain on disposal or lower loss on disposal.

9.1.3 Losses from the Securities

Losses from the Securities, for example from a sale of the Securities or if the cash payment to the investor is less than the cost of the Securities together with the incidental costs of purchase or arising from accrued interest paid by the investor, may not be offset against positive income from other types of income. In principle, they may only be offset against the investor's income arising from capital assets (that is subject to the final withholding tax) in the current or subsequent assessment periods.

Losses from the Securities may be offset against positive investment income received by the individual investor from a different paying agent only as part of the investor's tax assessment. For this purpose, the investor requires a certificate of the amount of the unabsorbed loss, as provided for by section 43a (3) sentence 4 German EStG, which the investor must request from the paying agent acting as custodian of the Securities. The necessary request must have been received by the paying agent by 15 December of the current year. If this is not the case, the loss from the Securities is carried forward to the following assessment periods and may only be offset against the investor's future positive investment income (from the same paying agent). Once this certificate of losses has been issued, the agent issuing the certificate is no longer required to carry the loss forward into the next year.

If the investor realises losses from the sale of shares delivered, these losses may only be offset against gains from the sale of shares in the current or following assessment periods. However, gains on shares received by the investor from another paying agent may only be offset against losses as part of the investor's tax assessment. For this purpose, the investor requires a certificate of the amount of the unabsorbed loss. The necessary request must be received by the respective paying agent by 15 December of the current year. If this is not the case, the loss on the shares is carried forward by the paying agent to the following assessment periods and may only be offset against future gains on shares (from the same paying agent). Once this certificate of losses has been issued, the agent issuing the certificate is no longer required to carry the loss forward into the next year. Shares for this purpose also include ADRs, GDRs, IDRs and shares in REIT stock corporations, but not profit participation rights with the characteristics of equities and bonds, nor convertible bonds and profit sharing bonds.

Investors who have realised losses from the Securities or from the underlyings delivered, in particular in the form of shares, are recommended in all cases to consult a member of the professions specialising in the provision of tax advice in good time and to consider whether the losses from the Securities or from the underlyings delivered should be carried forward to the following assessment periods in order to offset them against future positive investment income from the same paying agent, or whether it is advisable in the particular case to submit an application for the preparation of a

certificate of losses in order to offset them immediately against positive investment income, for example against positive investment income from a different paying agent, as part of the investor's tax assessment.

In the case of Securities which provide for no payment to be made at the time of final maturity if the underlying has moved outside a range specified in the Terms and Conditions, it should be noted that in the current opinion of the authorities, no taxable losses arise if in fact the investor does not receive a payment at the end of the term (BMF circular dated 18 January 2016, BStBl. 2016 I, page 85, text number 8a). The same applies in the opinion of the tax authorities if the disposal price does not exceed the actual transaction costs. If the amount of the transaction costs charged is limited by agreement with the custodian institution such that the transaction costs are calculated from the disposal proceeds after taking a deduction into account, a loss on disposal is also not recognised (BMF circular dated 18 January 2016, BStBl. 2016 I, page 85, text number 59). A loss on an amount due is also not recognised for tax purposes (BMF circular dated 18 January 2016, BStBl. 2016 I, page 85, text number 60).

However, the tax court of Lower Saxony ruled on 28 October 2015 (3 K 420/14) that expenses for options that have become worthless as a result of expiry, i.e. for which there was no payment at the end of term, must be recognised as a loss on disposal within the meaning of section 20 (2) sentence 1 no. 3 a German EStG. The judgment is not yet legally binding. The decision on appeal by the Federal Fiscal Court (*Bundesfinanzhof*, "BFH") (VIII R 40/15) is still pending. The BFH made a similar decision in another case on 12 January 2016 (BFH judgment, IX R 48-50/14, BStBl II 2016, 456, 459 and 462). However, it remains to be seen whether these court rulings will apply in circumstances other than those involving options.

9.1.4 Deduction of expenses/savers' allowance

A savers' allowance (*Sparer-Pauschbetrag*) of EUR 801 is deductible for the purpose of determining the income of the individual investor from capital assets. For married couples and registered civil partners assessed to tax jointly, the savers' allowance amounts to EUR 1,602.

On the other hand, the deduction of actual expenses connected with the investment (*Werbungskosten*) is not permitted, with the result that the individual investor cannot deduct any further expenses or costs incurred by him – in addition to his cost of purchase and incidental costs of purchase, together with the direct costs of sale in the event that the Securities are disposed of – from his taxable income. For example, if the investor incurs financing costs in connection with the Securities, those costs are not deductible for tax purposes.

The savers' allowance can be taken into account by the paying agent at the time when investment income withholding tax is deducted. A precondition for this, however, is that the investor has submitted an application for exemption to the paying agent in the officially prescribed form.

9.1.5 Investor's tax assessment/income tax return

The deduction of tax by the paying agent from the income arising from the Securities is in principle final, with the result that the investor is generally no longer assessed to tax on that income and no longer has to declare it in his personal income tax return.

Nevertheless, in specific cases there may be an option for the income to be assessed to tax – depending on the personal tax position of the individual investor – if, for example, that would result in a lower income tax liability for the investor (*Günstigerprüfung*), the investor has not fully used up the savers' allowance or if it would enable the income from the Securities to be offset against earlier losses or losses from capital assets from another paying agent. In these circumstances as well, the savers' allowance is deductible and the deduction of the actual expenses is prohibited (BMF circular dated 18 January 2016, BStBl. 2016 I, page 85, text number 150; BFH judgment dated 2 December 2014, VIII R 34/13, BFH/NV 2015, 570 and dated 28 January 2015, VIII R 13/13, BFH/NV 2015, 582).

But if, exceptionally, the income from the Securities is not subject to investment income withholding tax, for example because the Securities are held in a foreign securities account, the investor must declare the income from the Securities in his income tax return. Even in this case, however, the income is subject in principle to the 26.375% rate of final withholding tax (including the solidarity surcharge) and to church tax, if applicable.

If church tax is not deducted from the income from the Securities even though the investor is liable to church tax, the investor must give details of the investment income withholding tax levied on the income from the Securities in his personal income tax return, and must provide the relevant tax authority with a certificate from the paying agent of the investment income withholding tax deducted pursuant to section 51a (2d) sentence 2 German EStG or section 45a (2) or (3) German EStG.

Investors are recommended in all cases to consult a member of the professions specialising in the provision of tax advice in good time as to whether an assessment in respect of the income from the Securities is advisable or necessary in his personal circumstances from a tax point of view, what information he must disclose in his personal income tax return in relation to the income from the Securities and which documents and certificates must be attached to the tax return.

9.1.6 Taxation of income attributable to domestic business assets

If the Securities are held as domestic business assets, the resulting income is not subject to the final withholding tax.

If the Securities are held by a corporation, association or estate, in accordance with section 43 (2) sentence 3 no. 1 German EStG, the paying agent deducts 26.375% investment income withholding tax (including the solidarity surcharge)

only from interest or coupon payments paid to the investor (and from any fractional amount paid if it represents investment income within the meaning of section 20 (1) no. 7 German EStG, see section 9.1.1.1 of this Base Prospectus) but, pursuant to section 43 (2) sentence 3 no. 1 German EStG, not from certain investment income such as gains from the sale or redemption of the Securities. This also applies if the Securities are held as business assets of a sole trader or partnership, and a declaration has been made to the paying agent using the officially prescribed form that the income from the Securities forms part of the business income of a domestic business (section 43 (2) sentence 3 no. 2 German EStG).

Where the income from the Securities is subject to the 26.375% deduction of tax (including the solidarity surcharge), the deduction is not final for taxpayers fully liable to tax but is credited against the tax payable by the particular investor as part of the investor's tax assessment.

The restrictions described above for income from private capital assets affecting the offset of losses (see section 9.1.1.2 of this Base Prospectus) and the deduction of expenses (see section 9.1.1.3) do not apply. Business expenses are therefore deducted in accordance with the rules generally applicable. The same applies in principle to the deduction of losses, subject to the minimum taxation provisions (section 10d German EStG). It may nevertheless be the case that losses from the Securities are prohibited as losses from derivatives transactions from being offset against other profits of the business or against the trader's income arising from other types of income, section 15 (4) sentences 3 *et seq.* German EStG.

The special rate of income tax for income from capital assets amounting to 26.375% (including the solidarity surcharge) plus any church tax does not apply.

Instead, the income is subject in the case of natural persons to the taxpayer's personal rate of income tax plus the solidarity surcharge and any church tax and, where applicable, (in the case of income from a trade) to trade tax. The amount of any liability to trade tax is generally dependent on the rate of assessment applied by the local authority in which the relevant investor maintains its permanent establishment in Germany. Any liability to trade tax, however, may be credited against the investor's income tax in accordance with the provisions of section 35 German EStG.

If the particular investor is liable to corporation tax, the income from the Securities is subject both to corporation tax at the rate of 15% (plus 5.5% solidarity surcharge and therefore a total rate of 15.825%) and usually also to trade tax. The amount of the trade tax is generally dependent on the rate of assessment applied by the local authority in which the relevant corporation maintains its permanent establishment in Germany. However, trade tax cannot be credited against the liability to corporation tax nor can it be deducted as a business expense in calculating the taxable income of the corporation.

If the Securities are held by a partnership, the resulting income is subject to the individual partner's personal rate of income tax (plus the solidarity surcharge and any church tax) if the partners are natural persons and – in the case of a commercial partnership (*Mitunternehmerschaft*) – also to trade tax at the level of the partnership. The amount of any liability to trade tax is generally dependent on the rate of assessment applied by the local authority in which the partnership maintains its permanent establishment in Germany. If the partnership itself is not liable to trade tax and if the natural person's share in the partnership is held as business assets' the income is subject to trade tax in the hands of the partner. The partnership's trade tax liability, however, may be offset against the income tax liability of the individual partners in accordance with the provisions of section 35 German EStG.

If shares in the partnership are held by corporations, the income from the Securities is subject to the 15.825% rate of corporation tax (including the solidarity surcharge) in the hands of the partners. In the case of a commercial partnership (*Mitunternehmerschaft*), the income is also subject to trade tax at the level of the partnership. If the partnership is not liable to trade tax, the income from the Securities attributable to the corporations is subject to trade tax in the hands of the corporations.

9.1.7 Taxation of the income for tax non-residents

The income from the Securities is not taxable in Germany in the hands of persons who are not resident for tax purposes in Germany unless (i) the Securities are attributable for tax purposes to the business assets of a permanent establishment in Germany (including a permanent establishment constituted by a permanent representative), or (ii) the income from the Securities forms part of German taxable income for other reasons (e.g. as certain capital claims secured on German land holdings or similar assets, section 49 (1) no. 5 c) German EStG, or as income from a counter transaction, section 49 (1) no. 5 d) German EStG).

If the income from the Securities forms part of German taxable income, it is subject in principle – as in the case of tax residents – to investment income withholding tax at a rate of 26.375% (including the solidarity surcharge). Income or corporation tax on the income from the Securities may be deemed to have been finally settled by the deduction of withholding tax. In this event, the foreign investor is not subject to a tax assessment and the German investment income withholding tax charged is definitive, unless the German investment income withholding tax is refundable as a result of an applicable double taxation agreement or in accordance with the provisions of section 44a (9) German EStG.

9.1.8 Responsibility for the deduction of withholding tax

As a general principle, the Issuer accepts no responsibility for the deduction of taxes at source. Such deductions are carried out by the paying agent.

9.1.9 Investment Tax Act not applicable

In the opinion of the Issuer, the German Investment Tax Act (*Investmentsteuergesetz*, "InvStG") does not apply to the Securities because the Issuer is not subject to any restrictions on the use of the investment monies and it therefore does not constitute an investment fund within the meaning of section 1 (1) of the German Capital Investment Act (*Kapitalanlagegesetzbuch*, "KAGB"), and the Securities can therefore also not be regarded as shares in UCITS or AIFs within the meaning of section 1 (2) or (3) KAGB, and therefore do not comply with the precondition set out in section 1 (1) sentence 1 InvStG.

Should the provisions of the InvStG be applicable to the Securities, contrary to the opinion of the Issuer, this could give rise to tax consequences for the investor that differ from those described in sections 9.1.1 to 9.1.3 of this Base Prospectus.

9.1.10 Inheritance and gift tax

The acquisition of the Securities as a result of death or the gift of the Securities *inter vivos* may be subject to inheritance and gift tax if the deceased at the time of his death, the donor at the time the gift is made or the recipient at the time the liability to tax arises (section 9 Inheritance Tax and Gift Tax Act (*Erbschaftsteuer- und Schenkungsteuergesetz*, "ErbStG")) has a residence or normal place of abode in Germany or if full or (extended) partial liability to tax arises because one of these persons has German nationality. If neither the deceased, the donor nor the recipient are tax residents at the relevant time, German domestic assets may nonetheless be subject to inheritance and gift tax, as in the case, for example, of Securities attributable to a permanent establishment in Germany or capital claims secured on German real estate holdings.

Transfers of capital assets qualify in principle as disposals for consideration which are subject to investment income withholding tax. If the investor informs the paying agent, giving the information referred to in section 43 (1) sentence 5 German EStG, that the transfer is a transfer of capital assets for no consideration, then the paying agent is obliged to report this fact and the information provided to the tax authorities. In this event, investment income withholding tax is not deducted since for tax purposes the new creditor of the investment income takes the legal place of the previous investor with respect to the cost of the asset.

If the acquisition is subject to inheritance and gift tax, the taxable acquisition, after deducting allowances, is taxed at rates between 7% and 50% – in accordance with the tax class, which depends on the personal relationship of the recipient to the deceased or the donor.

9.1.11 Other taxes

No stock exchange turnover tax, company transactions tax, financial transaction tax or similar tax is currently levied in Germany on the acquisition and sale of securities. Together with other member states of the European Union, however, Germany is discussing the introduction of such a financial transaction tax. It is so far not clear whether and when the financial transaction tax will be introduced and which financial transactions it is intended to tax.

9.2 Taxation in the Czech Republic

The information provided below is of a general character and relates only to certain major Czech tax considerations and is neither intended to be, nor should it be regarded as, legal or tax advice. The information is based on the tax laws of the Czech Republic as in effect on the date of this Base Prospectus and their prevailing interpretations available on or before such date. The information does not purport to be complete with respect to all tax information that may be relevant to investors to make a decision to acquire the Securities.

There is no Czech withholding tax arising in connection with the Securities on the assumption that the relevant Issuer of the Securities is not a resident of the Czech Republic for Czech tax purposes, does not have a permanent establishment in the territory of the Czech Republic, and has not employed its employees in the country for more than 183 days, except in cases where services are provided.

Income derived from holding or disposal (transfer) of Securities may have tax implications for prospective purchasers. Prospective purchasers of any Securities should consult their own tax advisers in the Czech Republic about the tax implications of holding any Security and of any transaction involving any Security.

9.2.1 Taxation of persons considered tax residents in the Czech Republic

Tax residents of the Czech Republic are obliged to pay income tax in the Czech Republic on their world-wide income (unlimited tax liability). This applies regardless the source of the income and includes capital income of any kind (e.g. income from the Securities) and, as a rule, gains on disposal of the Securities.

Individuals are subject to personal income tax and legal entities to corporate income tax. An individual is considered to be a tax resident in the Czech Republic if she/he has a permanent home in the Czech Republic or stays in the Czech Republic for more than 183 days in a calendar year either continuously or intermittently (subject to double tax treaty rules). Legal entities are deemed to be tax residents of the Czech Republic if they have a registered seat or place of effective management in the Czech Republic (subject to double tax treaty rules).

a) Acquiring of Securities

Securing Tax

In general, Czech tax residents (or Czech permanent establishments of Czech tax non-residents) acquiring the Securities are required, under their own responsibility, to withhold and remit to Czech tax authorities 1 % securing tax from the acquisition price when acquiring investment instruments, such as Securities, from a seller who is a tax resident outside the European Union or the European Economic Area. Such obligation can be eliminated under a double tax treaty concluded between the Czech Republic and the country in which the seller is a tax resident. Furthermore, it can be waived in advance based on a decision of the Czech tax authority.

b) Holding of Securities

Generally, capital income is subject to 15% tax rate for individuals and 19% for legal entities. A separate tax base with 15% tax rate may be applicable for legal entities in cases e.g. profit shares (dividends), settlement share or similar earnings received from abroad.

Withholding tax

Withholding tax on income from the Securities may be applicable under the law of jurisdiction where the Issuer is a tax resident. If the tax treaty between the Czech Republic and the jurisdiction where the Issuer is a tax resident is in place, the right to deduct the withholding tax and the tax rate is also governed by it. Accordingly, the taxpayer is entitled to credit the foreign withholding tax against the Czech tax liability.

c) Disposing of Securities

Capital gains (the difference between the sale price and the acquisition price) are subject to income tax in the Czech Republic. Expenses relating to acquisition and sale of the Securities may decrease the tax base. The capital gains are subject to 15% tax rate for individuals and 19% for legal entities.

The income from sale of the securities is tax free for an individual if either (i) the income from the sale of securities does not exceed CZK 100,000 for the taxable period or (ii) the individual has held the securities at least three years before the sale. If the individual receives tax free income exceeding CZK 5,000,000, the income is subject to a separate reporting to the tax authority. However, special rules apply in case the Securities are part of an individual's business assets.

9.2.2 Persons considered tax non-resident in the Czech Republic

Persons who are not tax residents in the Czech Republic are obliged to pay income tax in the Czech Republic on their Czech source income only (limited tax liability). Thus, they should not be liable for tax payments in the Czech Republic on any income from Securities as the Issuer is not a tax resident in the Czech Republic.

9.3 Taxation in Denmark

The following summary contains a description of certain Danish tax consequences for investors who are either individuals or limited liability companies and which (unless otherwise stated) are tax resident in Denmark.

The summary is based on Danish tax laws as currently in force and as interpreted by the Danish courts and Danish tax authorities and does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to invest in the Securities. The summary is for general information only and is neither intended to be nor should be construed as tax or legal advice.

It is specifically noted that the description does not address all possible tax consequences of an investment in the Securities and that the tax treatment of each individual investor depends on such investor's particular circumstances. Each investor should therefore consult their tax advisor for information on the specific implications that may arise in an individual case, including the applicability and effect of foreign rules and tax treaties.

Specific tax consequences which are not described below may also arise for certain categories of investors. For instance, this summary may not be relevant for e.g. investors subject to the Danish Act on Pension Investment Return Taxation (i.e. pension savings), certain institutional investors, insurance companies, pension funds, credit institutions, stockbrokers and individuals and companies carrying on business of purchasing and selling securities to which special tax rules may apply.

9.3.1 Taxation of investors tax resident in Denmark

The Securities will pursuant to Danish tax regulations be treated as financial contracts ("*finansielle kontrakter*") given that the value of the Securities is in part determined with reference to any underlying asset which in itself would qualify as being a financial contract.

Gains and losses on the Securities will therefore under Danish tax law be treated as gains and losses on financial contracts pursuant to the provisions of the Consolidated Act no. 1283 of 25 October 2016 (as amended) ("*Kursgevinstloven*").

9.3.2 Individuals

Individuals investing in the Securities will be taxed on the basis of a "mark-to-market" principle ("*lagerprincippet*") pursuant to which gains and losses on the Securities are calculated as the difference between the market value of the Securities at the end of the income year and the value of the Securities at the beginning of the income year. If the Securities have been acquired during an income year, the acquisition price will instead be used as the relevant reference value and correspondingly the sales price or the Cash Amount (as applicable) will be used as the reference value in the income year in which the Securities are disposed of or (as applicable) redeemed.

Gains and losses on the Securities need to be calculated in Danish kroner (DKK) using the exchange rate at the start of the income year (or as applicable the date on which the Securities were acquired) and the exchange rate at the end of the income year (or as applicable the date on which the Securities are disposed of or redeemed). Gains and losses on the Securities will therefore depend on not only the value of Securities but also on the exchange rate on the relevant dates.

Due to the mark-to-market principle, both realised and unrealised gains and losses on the Securities will be included in the taxable income.

Gains on the Securities are taxed as capital income ("*Kapitalindkomst*") at up to 42% while losses on the Securities according to special tax rules can only be deducted in previous or future gains on financial contracts. If the individual investor is considered a professional, the corresponding taxation may be assessed at a higher applicable rate, including mandatory labour market contributions.

It should be noted that losses on Securities where the underlying asset consists of a share-index under special circumstances may be offset against the individuals' gains on listed shares, provided that either the Securities or the shares included in the share-index are listed.

9.3.3 Limited liability companies

Limited liability companies investing in the Securities will be taxed on the basis of a "mark-to-market" principle pursuant to which gains and losses on the Securities are calculated as the difference between the market value of the Securities at the end of the income year and the value of the Securities at the beginning of the income year. If the Securities have been acquired during an income year, the acquisition price will instead be used as the relevant reference value and correspondingly the sales price or the Cash Amount (as applicable) will be used as the reference value in the income year in which the Securities are disposed of or (as applicable) redeemed.

Gains and losses on the Securities need to be calculated in Danish kroner (DKK) using the exchange rate at the start of the income year (or as applicable the date on which the Securities were acquired) and the exchange rate at the end of the income year (or as applicable the date on which the Securities are disposed of or redeemed). Gains and losses on the Securities will therefore depend on not only the value of Securities but also on the exchange rate on the relevant dates.

Due to the mark-to-market principle, both realised and unrealised gains and losses on the Securities will be included in the taxable income.

Gains on the Securities are taxed as ordinary corporate income at a tax rate of 22% while losses as a general rule are deductible when calculating the corporate income.

It should, however, be noted that the ability to deduct any losses on the Securities may be limited according to special tax rules if the underlying asset consists of a share-index consisting of shares

- in either the company issuing the Securities or in the company that acquires the Securities , or
- in companies in which either the relevant issuer, the relevant investor or companies in the same tax group as either the issuer or the investor hold shares.

In these circumstances, losses on the Securities can only be deducted in the prior year's net gain on the Securities and in net gains on financial contracts within the income year and in future income years.

9.3.4 Taxation of investors tax resident outside Denmark

Individuals or corporate investor which are not resident in Denmark for tax purposes will as a general rule not be subject to Danish tax on the investment in the Securities. If, however the relevant investor holds Securities which can be attributed to a permanent establishment in Denmark or is included in a Danish joint taxation scheme, any gains on such Securities are taxable pursuant to the rules applying to a Danish tax resident as described above under section 9.3.1 and 9.3.2. Specific rules apply to investors who subsequently change their residence from being tax resident in Denmark to being tax resident outside Denmark after having acquired the Securities.

9.3.5 Other taxes

No net wealth tax is levied in Denmark, nor are any stamp or similar duties imposed in Denmark on the transfer of the Securities. No inheritance or gift taxes with respect to the Securities will arise in Denmark, 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 tax resident, neither fully or partially, in the Kingdom of Denmark.

9.4 Taxation in Finland

9.4.1 General

The following is a summary of certain Finnish tax consequences for holders of the Securities who are residents of Finland for tax purposes. The summary is based on tax laws and taxation practice, as in effect and applied as at the date of this document on structured Securities generally, and is intended to provide general information only. The tax treatment of the Securities addressed herein has not necessarily been tested in taxation practice or any instance of court. Tax laws, taxation practices and their interpretation are constantly under change, which changes may sometimes have a retroactive effect and may change the conclusions set out in the summary.

This summary covers only the tax consequences of the subscription, purchase, ownership and disposition of the Securities by individuals (other than in context of business activities) who are residents of Finland and subject to the Finnish Income Tax Act and by Finnish limited liability companies that are subject to the Finnish Business Income Tax Act. Accordingly, this summary does not address tax considerations applicable to holders of Securities who may be subject to special tax rules, including, among others, non-business carrying entities, tax-exempt entities, general or limited partnerships or otherwise address situations where the Securities are held as current assets (i.e. allocable to the inventory) or where there are unrealized gains and losses in respect of the Securities.

This summary addresses neither Securities that would be classified as convertible bonds, standardised or non-standardised options or any other instrument of similar character, nor Securities that would be classified as fund units.

The tax treatment of each holder of the Securities partly depends on the holder's specific situation. This means that special tax consequences, which are not described below, may arise for certain categories of holders of the Securities as a consequence of, for example, the effect and applicability of foreign income tax rules or provisions contained in an applicable double taxation treaty. Each prospective investor should consult a tax adviser as to the tax consequences relating to its particular circumstances resulting from subscription, purchase, ownership and disposition of the Securities.

9.4.2 Individuals

a) General

All capital income of individuals – including capital gains – is currently taxed at a flat rate of 30 per cent or 34 per cent for capital income exceeding EUR 30,000.

Capital losses are primarily deductible from capital gains arising in the same year. Any capital losses that cannot be used to offset capital gains in the same year can then be applied against other capital income in the same year. Any remaining unused capital losses can finally be carried forward for five years and used in the same manner described above.

Capital gains arising from a disposal of assets are, however, exempted from tax provided that the sales prices of all assets sold by the individual during the calendar year do not, in the aggregate, exceed EUR 1,000. Correspondingly, capital losses are not tax deductible if the acquisition cost of all assets disposed of during the calendar year does not, in the aggregate, exceed EUR 1,000 and the aggregate sales prices do not exceed EUR 1,000.

b) Disposal and/or redemption of Securities regarded as notes

A gain arising from the disposal of Securities regarded as notes would constitute a capital gain for individuals. Upon the disposal of interest-bearing notes, an amount corresponding to the interest for the period from the last interest payment date to the date of disposal of the notes should normally for tax computational purposes be deducted from the sales price in order to determine the amount that would be treated as "ordinary" capital income instead of a capital gain.

Return of capital (i.e. the principal amount of the notes) at redemption would not trigger (capital gains) taxation. However, any interest paid on the notes or any compensation regarded as an interest like payment (such as a yield spread or premium) at redemption will be taxed as described under "Interest or compensation comparable to interest paid on the Securities" below.

A loss arising from the disposal or redemption of Securities regarded as notes would normally constitute a tax deductible capital loss.

c) Disposal and/or redemption of Securities regarded as warrants or certificates

Based on current Finnish court and taxation practice, profits arising from the disposal or cash settlement of Securities regarded as warrants would normally be considered a capital gain. Similarly, a loss arising from the disposal or the expiration (as worthless) of Securities regarded as warrants would normally be considered a tax deductible capital loss.

According to guidelines issued by the Finnish Tax Authorities, Securities regarded as certificates are likely to be taxed as described above regarding warrants.

d) Interest or compensation comparable to interest paid on Securities

Any interest or compensation comparable to interest paid on Securities (regarded as notes) during their respective term or at redemption constitutes capital income of the individual taxed as described under "General" above.

9.4.3 Corporate entities

a) *Disposal and/or redemption of the Securities*

Any income (including capital return) received from the disposal and/or redemption of the Securities (whether regarded as notes, warrants or certificates) constitutes generally part of the limited liability company's taxable business income. A limited liability company is subject to corporate income tax, currently at the rate of 20 per cent for its world-wide taxable income. The acquisition cost of the Securities (including the purchase price and costs) and any sales related expenses are normally deductible for tax purposes at disposal and/or redemption. Accordingly, any loss due to the disposal and/or redemption of the Securities is in practice deductible from the taxable business income.

b) *Interest or compensation comparable to interest paid on the Securities*

Any interest or compensation comparable to interest paid on the Securities (regarded as notes) during their respective term or at redemption constitutes part of the limited liability company's taxable business income.

9.4.4 Withholding tax

On the basis that the Issuer is not resident in Finland for tax purposes and has no presence in Finland, there is no Finnish withholding tax (Fi. *lähdevero*) applicable to the payments made by the Issuer in respect of the Securities.

However, Finland operates a system of preliminary taxation (Fi. *ennakonpidätysjärjestelmä*) to secure payment of taxes in certain circumstances. In the context of the Securities (and in particular with respect to Securities regarded as notes), a tax of 30 per cent will be deducted and withheld from all payments that are treated as interest or as compensation comparable to interest, when such payments are made by a Finnish paying agent to individuals. Any preliminary tax (Fi. *ennakonpidätys*) will be used for the payment of the individual's final taxes (which means that it will be taken into account as paid tax in the individual's final taxation).

As profits on Securities regarded as warrants or certificates would normally be considered a capital gain (as opposed to interest or as compensation comparable to interest), payments made by a Finnish paying agent in respect of Securities regarded as warrants or certificates should, at the outset, not be subject to any preliminary taxation (Fi. *ennakonpidätys*).

Payments made in respect of the Securities through a Finnish paying agent to corporate entities resident in Finland will not be subject to any Finnish preliminary tax (Fi. *ennakonpidätys*) or withholding taxes.

9.5 Taxation in France

9.5.1 General

The information below relates to the taxation of (i) private individual investors whose tax domicile or residence is established in France as per article 4 B of the French tax code regardless of their nationality holding the Securities as private assets and (ii) companies subject to corporate income tax in France and which accounted the Securities in their books as "short-term investment securities".

The taxation rules described below only address taxes borne by the Security Holder, i.e., (i) individual income tax, (ii) corporate income tax and (iii) stamp duty and not taxes borne by any intermediary.

It is assumed that private individual and corporate investors do not have/hold any bank account located in a Non-Cooperative State or Territory as set out in the list referred to in Section 238-0 A of the French Tax Code (as such list may be amended from time to time) and that no payments will be made/due to an effective beneficial owner or on an account located in a Non-Cooperative State or Territory.

The Security serves no income during its life (interest or dividend payments). On the exercise date, in case of disposal, individual investors and companies may receive the payment of a Cash Amount.

The potential individual or corporate investor in the Securities should note that the information regarding the tax consequences in the Base Prospectus is merely intended to provide a basic background with regard to the taxation of income in the French Republic. The information provided relies on applicable laws, the practice of the French tax authorities and precedents of the competent French courts at the date of the Base Prospectus. The information is not intended to provide for an exhaustive presentation of all tax aspects which may be relevant for the decision to acquire, hold, sell or redeem the Securities. Especially, the information does not include special circumstances or concomitants which may be relevant for a specific investor. Potential investors in the Securities are therefore encouraged to seek advised from their tax advisor with regard to an investment in the Securities.

9.5.2 Taxation

a) Individual income tax

Any gain deriving from the sale, redemption, etc., of the Securities would be treated as capital gain from French individual tax purposes.

From 1 January 2018, capital gains are in principle subject to income tax at the flat rate of 12.8 %. In all cases, capital gains from the sale of shares, bonds and similar securities are also subject to social taxes at a total rate of 17.2 %. As a consequence of the flat tax regime, the 5.1% social taxes deduction, previously allowed, is not any more applicable.

As a result, capital gains are subject to the flat tax at the rate of 12.8 %, the overall taxation rate is 30 %.

In the event of a capital loss generated at the date of the disposal or the termination of the Securities, the loss may be set off against capital gains made on other securities or certificates during the year in question and the following ten years.

Deduction for holding period is not applicable to such Securities.

The flat tax rate does not apply for capital gains derived from habitual sales of shares. These are taxed in the category of professional income.

There is an option for the taxpayer to apply for the progressive rates instead of the flat tax.

The election for taxation at progressive rates is made in the income tax return filed in the year following the one when the capital gains were derived. It is irrevocable and applies to all investment income received by the taxpayer.

The social security taxes are still applicable at 17.2 % of which 5.1 % should be deductible from the income subject to individual income tax for the year during which the social contributions have been paid (i.e., the year following the one during which the capital gain has been generated). Deduction for holding period is not applicable to such Securities.

Moreover, an outstanding contribution on high-income individuals up to 4% should be due for high income taxpayers.

In the event of a capital loss generated at the date of the disposal or the termination of the Securities, the loss may be set off against capital gains made on other securities or certificates during the year in question and the following ten years.

With effect from 1 January 2018, former "net wealth tax" (*impôt de solidarité sur la fortune*, ISF) has been replaced by "real estate wealth tax" (*impôt sur la fortune immobilière*, IFI). This wealth tax applies only in real estate asset. It then excludes all shares, securities that could be included into the former net wealth tax.

b) Corporate income tax

When financial forward instruments are listed on a regulated market, Section 38, 6-1° of the French Tax Code provides for a taxation, each fiscal year, of the unrealized gain or loss related to such financial instruments (mark-to-market rule) Section 38, 4 of the French Tax Code:

- Gains are included in the taxable result subject to corporate income tax (at the standard rate of 33.1/3% plus potential CIT surcharge); and
- Losses are deducted from the taxable result.

c) Stamp duty

At the date of the Base Prospectus, the French Republic does not levy, from the Securities' holder any emission, stamp or registration taxes in relation to the Certificates unless shares or stock are acquired.

Indeed, the potential Financial Transaction Tax provided by article 235 ter ZD is due by the investment service provider which have executed the client order.

9.5.3 Information about Income from the Certificates

The French Republic has implemented the Savings Tax Directive (2014/107/UE), in Article 242 ter of the French Tax Code, by providing information about the beneficial owner of the Certificates including information about income from the Certificates. Such information is provided by the French Tax Authorities to the competent authority of the other country in where the beneficial owner is resident.

9.6 Taxation in Hungary

The following is a brief overview of Hungarian tax aspects in connection with the Securities. The below overview does not fully describe all tax consequences of the acquisition, ownership, disposition or redemption of the Securities. This overview only discusses the tax laws of Hungary as in force as at the date of this Base Prospectus and based on the individual circumstances a different tax regime may apply. As different types of Securities may be issued under the Base Prospectus, the tax treatment of such Securities can be different due to their specific terms. This overview does not take into account the investors' individual circumstances.

Prospective investors are advised to consult their own professional advisors to obtain further information about the tax consequences of the acquisition, ownership, disposition, redemption, exercise or settlement of any of the Securities.

It cannot be excluded that Hungarian tax authorities or courts or the Hungarian Payers (as defined below) adopt a view different from that outlined below.

9.6.1 Income Taxation of Private individuals

Withholding Tax

Unless otherwise provided for in the applicable convention on the avoidance of double taxation between Hungary and another State where the private individual has its tax residency, the income of a private individual is subject to Hungarian personal income tax, which is withheld in the form of withholding tax. A private individual is subject to withholding taxation of certain capital incomes if such capital income is paid to the private individual taxpayer by a legal person, other organization, or private entrepreneur resident in Hungary that (who) provides taxable income, irrespective of whether such payment is made directly or through an intermediary (post office, credit institution) (a "**Hungarian Payer**"). The general rate of the withholding tax is 15 per cent.

- (a) In respect of interest, Hungarian Payer shall mean the person who pays any interest income to any private individual according to the Personal Income Tax Act, the borrower of a loan or the issuer of a bond,
- (b) In respect of dividends, Hungarian Payer shall mean the taxpayer from whose assets such dividends are paid.
- (c) In respect of revenues originating from a transaction concluded with the involvement of a licensed stockbroker, Hungarian Payer shall mean such stockbroker (consignee).
- (d) In respect of income that is earned in a foreign country and taxable in Hungary, Hungarian Payer shall mean the person (legal person, other organization, or private entrepreneur) commissioned in Hungary, with the exception of transaction orders given to a credit institution solely for the performance of a transfer (payment).
- (e) In respect of any taxable payment made by a non-resident company through its branch or commercial representation, such branch or commercial representation shall be considered a Hungarian Payer.

As long as the Issuer is not a Hungarian Payer, the Issuer is not liable for withholding of taxes.

The withholding tax also applies if the private individual is not a Hungarian tax resident, i.e. is generally not subject to Hungarian income tax.

The withholding tax applies to the following kinds of income, each defined or detailed further in Act CXVII of 1995 on Personal Income Tax (the "**Personal Income Tax Act**"):

- (a) interest income;
- (b) income from securities lending;
- (c) dividend income; and
- (d) capital gains income.

However, whether a withholding tax is actually applicable to a certain income, the exact details of the security, the income payment and the tax subject (holder of the security) shall be examined. Incomes which do not fit into the definitions of these incomes belong to the general tax base of private individuals, which is taxed at the same level of personal income tax, but is subject to higher social contribution burden.

9.6.2 Interest Income

"**Interest income**" shall mean the following (narrowed for the purposes of this Base Prospectus):

- (a) in case of the balance of any deposit account (savings deposit account), or payment account, the part of the interest credited and/or capitalised based on a contract (including standard service agreements and interest conditions) made between the private individual and a payment service provider that is not in excess of the fair market value;
- (b) in connection with debt securities and collective investments in transferable securities, which are offered and traded publicly:
 - (i) the income paid to the private individual under the title of interest and/or yield, due to the fact that the securities are held at a specific time prescribed as a precondition for entitlement to interest and/or yield,

- (ii) the gains achieved when called, redeemed, or transferred, not including the transfer of collective investments in transferable securities in an exchange market, or in a market of another EEA Member State or in a Member State of the Organization for Economic Cooperation and Development (OECD) from the income payable to the private individual - irrespective of the net current value, accumulated interest or yield it represents - to the extent established according to the provisions on capital gains; and
- (c) by way of derogation from paragraphs (a)-(b) directly above, if the interest income established according to paragraphs (a)-(b) represents any asset (e.g. securities) from which the tax cannot be deducted, the taxable amount shall be calculated by multiplying the fair market value of the asset by 1.18.

The legal title of tax liability in connection with any interest income not mentioned in paragraphs (a)-(c) above and Section 65 (1) of the Personal Income Tax Act or that is obtained by way of derogation from the conditions defined therein shall be determined in consideration of the contract between the parties affected (meaning the private individual and the person paying the interest income, or between these persons and a third party), and the relating tax liabilities of the payer or the private individual shall be satisfied accordingly (including, in particular, the assessment, payment and declaration of income, tax amount, tax advance, and the related disclosures).

If the private individual does not acquire the income through a Hungarian Payer, the private individual shall establish the private income tax after the interest income in its own tax return and pay it. The rate of the tax is 15 per cent.

In case of long-term investments (*tartós befektetés*), interest income shall be free of tax if the private individual does not interrupt the deposit period of five years.

9.6.3 Dividend Income

All revenues of private individuals received as dividends or dividend advance shall be considered income. For the purposes of this Base Prospectus:

(a) dividend shall mean (among others):

- (i) interest on interest-bearing shares,
- (ii) income specified as dividends by the laws of other countries,
- (iii) return on investment units issued by an alternative investment fund,
- (iv) the payment made by the trustee to the private individual beneficiary or settlor from the yields of the trust assets, based on a Hungarian trust deed; (unless the beneficiary obtained such status as consideration for or related to an activity, transfer of assets or provision of services), it shall be assumed that yields are acquired before capital from the trust assets, if yield and capital cannot be separately identified, the entire amount obtained by the private individual shall be regarded as dividend;
- (v) payment as a share from its profits by a small taxpayer company to its shareholder notified who was not registered with the tax office as a small taxpayer;

(b) dividend advance shall mean any prepayments of dividends made on the dividend estimated for the tax year.

The tax on dividends (dividend advances) shall be assessed by the Hungarian Payer:

- (a) including resident credit institutions and investment service providers, in connection with any payment (credit) of dividend (dividend advance) earned abroad to a private individual through the securities account (securities escrow account) it maintains on behalf of that private individual;
- (b) having regard to the rules being applicable in case of inability to deduct withholding tax and the rules applicable to the income of foreign nationals laid down in Annex 7 of the Act on Personal Income Tax;

at the time of payment, and shall be declared and paid.

If there is no Hungarian Payer involved, the tax shall be assessed by the private individual in his tax return and pay it by deadline prescribed for filing. The amount of dividend advance and the tax shall be indicated for information purposes in the tax return filed for the year when the payment was made, and the amount of dividend paid as approved, and the tax deducted shall be declared in the tax return filed for the year when the resolution establishing the dividend was approved, and shall show the tax deducted and paid from the dividend advance as tax deducted.

9.6.4 Capital Gains

"Income from capital gains realised" shall mean the proceeds received upon the transfer of securities (not including lending arrangements), less the purchase price of the securities and any incidental costs associated with the acquisition of the securities. Any portion of the said profit that is to be treated as part of some other type of income shall not be considered as a capital gain.

The Hungarian Payer shall assess the amount of income realised from the revenues, the tax and tax advance corresponding to the legal title of the income relying on the data and information at its disposal on the day of payment or

that can be obtained, or as verified by the private individual relating to the acquisition costs and the incremental costs, and shall declare and pay it in accordance with the Act on the Rules of Taxation. If the income does not originate from a Hungarian Payer, the private individual shall assess the tax in his tax return prepared without assistance from the tax authority and pay it by the filing deadline.

9.6.5 Controlled Capital Market Transactions

Income from controlled capital market transactions means the profit realised on controlled capital market transaction(s) the private individual has made during the tax year (not including interest income, or if income from long-term investments has to be established based on the transaction), and received in money from all such transactions (total profit realised on transactions) that is in excess of the total expenses the investment service provider has charged to the private individual in connection with a given transaction or transactions, and paid during the tax year (total loss realised on transactions). Losses on controlled capital market transactions shall include the sum of total loss realised on transactions that is in excess of the total profit realised on transactions.

Controlled capital market transaction shall mean any transaction concluded with an investment service provider, or with the help of an investment service provider - other than swaps - involving financial instruments (other than privately placed securities) or commodities, as well as spot transactions concluded within the framework of financial services, or within the framework of investment services and ancillary investment services involving foreign exchange or currency, where such deals are concluded by financial settlement and, in either case, if they satisfy the provisions of the said acts pertaining to transactions, except for the transactions where a price - other than the fair market value - is used as specified by the investment service providers customer and/or the parties he represents (a private individual, and/or any person closely linked to one another by their common interests, directly or otherwise), and

- (a) if executed within the framework of activities supervised by the Hungarian financial supervisory authority (FSA),
- (b) that is concluded with an investment service provider, or with the help of an investment service provider, operating in the money markets of any EEA Member State, or any other State with which Hungary has an agreement on double taxation, and
 - (i) if executed within the framework of activities supervised by the competent authorities of that State, and
 - (ii) if the given State is not an EEA Member State, there are facilities in place to ensure the exchange of information between the competent authorities mentioned above and the FSA, and
 - (iii) for which the private individual has a certificate made out by the investment service provider to his name, containing all data and information for each and every transaction concluded during the tax year for the assessment of his tax liability.

In case the income originates from investment service providers who qualify as a payer, the payer issues a detailed certificate of execution on the cleared transactions of the given tax year. The private individual may use this certificate to declare this income in his tax return filed for the tax year, and shall pay that tax by the deadline prescribed for filing tax returns. The private individual may also declare his income on the basis of his own records (instead of the certificate).

In case the income originates from investment service providers who do not qualify as a payer, the private individual affected shall assess - in accordance with the provisions on capital gains as well - the profit realised on such controlled capital market transaction(s) and the tax payable on such income relying on the documents (any invoice or certificate) issued by the investment service provider or on his own records, and shall declare them in his tax return filed for the tax year, and shall pay the tax by the deadline prescribed for filing tax returns.

If the private individual realised any loss in connection with a controlled capital market transaction during the tax year and/or during the year preceding the current tax year, and/or in the two years preceding the current tax year, and if this loss is indicated in his tax return filed for the year when the loss was realised, the private individual shall be entitled to tax compensation.

9.6.6 Exceptions

Withholding tax may be eliminated based on the applicable double tax convention. The tax obligation may cease if the Securities are held as long-term investment and the further requirements are met.

Valuable consideration obtained in the form of Securities

In connection with any valuable consideration obtained by a private individual in the form of securities, income shall mean the fair market value of the security prevailing at the time of acquisition of the security, less the verified cost (value) of the security and any incremental costs associated with it. The type of tax liability attached to this income shall be determined on the basis of the relationship between the parties concerned (the private individual and the person from whom the security originates, and the said persons and a third party) and the circumstances under which the income was obtained, and the ensuing tax liabilities prescribed upon the payer or the private individual in question (including, in particular, the assessment, payment and declaration of income, tax amount, tax advance, and the related disclosures) shall be satisfied accordingly.

The tax rate is 15 per cent.

Valuable consideration obtained by way of rights in Securities

If income is not realised from profits made by means of controlled capital market transactions, the following rules shall apply:

As regards the valuable consideration obtained through the transfer (assignment), termination, endorsement of the purchase, subscription, sale or other similar right in securities (exclusive of rights attached to other securities) or through the waiver of such right, from the proceeds received by the private individual the margin above the costs charged, as verified, to the private individual in connection with the acquisition of the right and the incremental costs associated with the transaction (in connection with a gratuitous or complimentary right, including any income that is deemed taxable at the time the right is acquired). The amount of income shall be assessed as on the day when received.

In connection with securities obtained by way of a purchase, subscription or other similar right in securities, the private individual obtaining them shall be subject to the provisions pertaining to valuable considerations obtained in the form of securities. In this case the date of the acquisition of income shall be determined as the date of the acquisition of the right of control over the security or the date when the private individual (or any other person acting on his behalf) takes possession of the security in question (including, in particular, when the security is credited to the securities account), whichever occurs earlier.

As regards the valuable consideration obtained through the exercise of a sale option or other similar right in securities, that part of the income defined on the basis of the obtained valuable consideration that is greater than the fair market value of the security that is effective on the day of transfer (income component for the exercise of the right in question), less the costs charged, as verified, to the private individual (in connection with a gratuitous or complimentary right, including any income that is deemed taxable at the time the right is acquired) shall be treated as income, with the exception that:

- (a) the amount of income from the remaining part of the proceeds received in connection with the transfer of the security shall be determined in compliance with the provisions on capital gains, with due consideration of what is contained in paragraph (b);
- (b) where paragraph (a) applies, the part of the costs charged to the private individual in connection with the acquisition of the right may be deducted from the proceeds mentioned therein under the title of transfer costs, that is in excess of the proceeds from the exercise of the option. The amount of income shall be assessed as on the day of transfer of the security in question.

The tax rate is 15 per cent.

Healthcare contribution

The dividend income of a Hungarian-resident private individual is subject to healthcare contribution at a rate of 14 per cent capped at 450,000 forints per annum in 2018. Dividend payments distributed by or on behalf of a legal person or other organisation seated in a low tax jurisdiction are subject to healthcare contribution at 19.5 per cent payable by the recipient.

Capital gains realised by a Hungarian-resident private individual will be subject to healthcare contribution at a rate of 14 per cent capped at 450,000 forints per annum in 2018. Capital gains arising from the sale of shares in a legal person or other organisation seated in a low tax jurisdiction would be subject to healthcare contribution at 19.5 per cent.

The payer shall establish and deduct the healthcare contribution and shall pay it by the 12th day of the month following the month during which the income was paid (provided) and shall declare it to the state tax authority. If the income is from a source other than a payer, or there is no possible way to have the healthcare contribution deducted, the healthcare contribution shall be established and paid by the private individual, and shall declare it in due observation.

9.6.7 Corporate Income Tax

There is no Hungarian withholding tax on dividend and interest paid to non-Hungarian entities. The corporate income tax rate is 9 per cent. for the part of the positive tax base.

9.6.8 Hungarian implementation of Directive 2014/107/EU on Administrative Cooperation

Based on Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the "**Directive**"), Hungary implemented the renewed rules on the EU network of exchanging tax information, which includes the removal of the legislation due to the repeal of the EU Savings Directive and the implementation of new legislation in line with the new Directive.

The main implementation of the Directive under Hungarian law is Act XXXVII of 2013. Based on the new rules the tax authority collects a broad range of data of the owners of financial accounts from financial institutions including identification data of the financial account, identification data of the account owner, the name of the country or countries of which the owner is a resident, and the balance of the account.

In the framework of the automatic exchange of information Hungary automatically provides data relating to the financial account and its owner to the other Member State or third country where the owner is a resident.

This form of exchange is usually in electronic form and usually on a mutually agreed periodic basis. Information exchange on request is a response by one country to a request by another country for information.

9.6.9 Inheritance tax

If a private investor deceases, the inheritance may be subject to inheritance tax (*öröklési illeték*). Inheritance tax is applicable to the assets within Hungary; as well as the moveable assets inherited by a Hungarian citizen/resident/legal person if such assets are not subject to inheritance in the country of their location.

The base for such inheritance tax is the net value of the acquired assets (i.e. after the deduction of liabilities). The tax rate is 18 per cent.

Inheritance of the deceased investor's lineal relatives (parents, grandparents, children, grandchildren etc., including where relationship is based on adoption) and surviving spouse is exempt from inheritance tax.

9.6.10 Gift tax

The free transfer of the Securities is subject to gift tax payable by the receiving party. The base for the tax is the value of the gift. The tax rate is 18 per cent.

The following (among others) are not subject to gift tax:

- (a) gift in the value not exceeding HUF 150,000 in market value if no document was made;
- (b) gift acquired by the donor's lineal relatives (parents, grandparents, children, grandchildren etc., including where relationship is based on adoption) and spouse;
- (c) the transfer of assets to a trustee notified as such to the tax authority, under a trust deed established pursuant to the Civil Code, unless the trustee acquires it as a beneficiary;
- (d) the acquisition of the trust assets and its yield by the settlor (even as a beneficiary).

9.6.11 Financial transaction tax

Hungarian payment service providers are obliged to pay financial transaction tax for each crediting on Hungarian bank accounts. The general rate of the tax is 0.3 per cent. of the transferred amount but the maximum of HUF 6,000. Thus, crediting of the proceeds of the Securities to Hungarian bank accounts may be subject to additional banking fees if the payment service providers charge such tax to the clients directly.

9.7 Taxation in Italy

The following is a general overview of Italian law and practice as at the date of the Base Prospectus relating to certain Italian tax considerations concerning the purchase, ownership and disposal of the Securities by Italian resident investors and does not in any way constitute, nor should it be relied upon as being, a tax advice or a tax opinion covering any or all of the relevant tax considerations surrounding or connected to the purchase, ownership or disposal of such Certificates by Italian or non-Italian resident investors. It does not purport to be a complete analysis of all tax considerations that may be relevant to a decision to purchase, own or dispose of such Certificates and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of Certificates, some of which may be subject to special rules.

This overview is based upon Italian tax laws and published practice in effect as at the date of the Base Prospectus, which may be subject to change, potentially with retroactive effect and assumes that the Certificates are issued on or after 1 January 2016. The Issuer does not withhold any taxes at source.

Prospective purchasers should be aware that tax treatment depends on the individual circumstances of each client: as a consequence they should consult their tax advisers as to the consequences under Italian tax law and under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of Certificates and receiving payments of interest, principal and/or other amounts under the Certificates, including in particular the effect of any state, regional or local tax laws.

9.7.1 Italian tax treatment of the Certificates

9.7.2 Italian resident individual investors not engaged in a commercial activity

Pursuant to the generally followed interpretation, payments in respect of Certificates qualifying as securitised derivative financial instruments received by Italian investors (not engaged in a commercial activity (*esercizio di attività commerciali*) to which the Certificates are connected) as well as capital gains realised by such Italian investors on any sale or transfer for consideration of the Certificates or redemption thereof are subject to a 26 per cent. substitutive tax (*imposta sostitutiva*). In respect of the application of the *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below.

- a) Under the tax declaration regime (*regime della dichiarazione*), which is the ordinary regime for taxation of capital gains realised by Italian resident individuals not engaged in a commercial activity (*esercizio di attività commerciali*) to which the Certificates are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any incurred capital loss, realised by the Italian resident individual. The Investor holding Certificates not in connection with a commercial activity (*esercizio di attività commerciali*) must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay the *imposta sostitutiva* on such gains together with any balance of income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.
- b) As an alternative to the tax declaration regime, the Italian resident individual Investor holding the Certificates not in connection with a commercial activity (*esercizio di attività commerciali*) may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale, early redemption or redemption of the Certificates (the "*risparmio amministrato regime*" provided for by Article 6 of the Legislative Decree 21 November 1997, No. 461 as a subsequently amended, the "**Decree No. 461**"). Such separate taxation of capital gains is allowed subject to: (1) the Certificates being deposited with Italian banks, SIMs or certain authorised financial intermediaries; and (2) an express valid election for the *risparmio amministrato regime* being punctually made in writing by the relevant Investor. The depository is responsible for accounting for the *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Certificates (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian Tax Authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Investor or using funds provided by the Investor for this purpose. Under the *risparmio amministrato regime*, where a sale, early redemption or redemption of the Certificates results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato regime*, the Investor is not required to declare the capital gains in its annual tax return.
- c) Any capital gains realised or accrued by Italian resident individual investors holding the Certificates not in connection with a commercial activity (*esercizio di attività commerciali*) who have entrusted the management of their financial assets, including the Certificates, to an authorised intermediary and have validly opted for the so-called *risparmio gestito regime* (the regime provided by Article 7 of Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent. *imposta sostitutiva*, to be paid by the managing authorised intermediary. Under the *risparmio gestito regime*, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito regime*, the Investor is not required to declare the capital gains realised in its annual tax return.

9.7.3 Italian resident corporate entities, partnerships and individual investors engaged in a commercial activity

Any gain obtained from the sale, early redemption or redemption of the Certificates would be treated as part of the taxable income for general Italian corporate taxation ("IRES", levied at the rate of 24 per cent.) (and, in certain circumstances, depending on the "status" of the Investor, also as part of the net value of production for regional tax on productive activities ("IRAP", generally levied at the rate of 3.9 per cent., even though regional surcharges may apply) purposes) if realised by: (i) an Italian resident company; (ii) an Italian resident commercial partnership; (iii) the Italian permanent establishment of foreign entities to which the Certificates are effectively connected; or (iv) Italian resident individuals engaged in a commercial activity (*esercizio di attività commerciali*) to which the Certificates are connected.

9.7.4 Italian resident funds

Under the current regime provided by Law Decree No. 351 of 25 September 2001 converted into law with amendments by Law No. 410 of 23 November 2001, capital gains realised by an Investor which is an Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and Article 14-bis of Law No. 86 of 25 January 1994 are subject neither to imposta sostitutiva nor to any other income tax in the hands of a real estate investment fund. A withholding tax may apply in certain circumstances at the rate of 26 per cent. on distributions made by real estate investment funds.

Any capital gains realised by an Investor which is an open-ended or closed-ended investment fund (the "Fund") or a SICAV will neither be subject to imposta sostitutiva nor to any form of taxation in the hands of the Fund or of the SICAV, but any income paid by a Fund or by a SICAV in favour of its participants will be subject to taxation in accordance with the specific rules provided for the different kind of participants.

Any capital gains realised by an Investor which is an Italian pension fund (subject to the regime provided for by Article 17 of the Legislative Decree No. 252 of 5 December 2005, as subsequently amended) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the special 20 per cent. tax applicable to Italian pension funds.

9.7.5 Non-Italian resident investors

Capital gains realised by non-Italian resident investors from the sale or redemption of the Certificates are not subject to Italian taxation, provided that the Certificates (1) are transferred on regulated markets, or (2) if not transferred on regulated markets, are held outside Italy.

Moreover, even if the notes are held in Italy, no imposta sostitutiva applies if the non-Italian resident investor is resident for tax purposes in a Country which recognizes the Italian tax authorities' right to an adequate exchange of information.

The provisions of applicable tax treaties against double taxation entered into by Italy apply if more favourable and provided that all relevant conditions are met.

9.7.6 Atypical securities

Under a different interpretation of Italian tax law, Certificates may qualify as "atypical securities" (*titoli atipici*) and payments in respect of such Certificates received by Italian investors would be subject to the following regime:

- a) if the Certificates are placed (*collocati*) in Italy, payments made to individual investors holding the Certificates not in connection with a trade (*esercizio di attività commerciali*) will be subject to a 26 per cent. final withholding tax. This withholding tax is levied by the entrusted Italian resident bank or financial intermediary, if any, that is involved in the collection of payments on the Certificates, in the repurchase or in the transfer of the Certificates;
- b) if the Certificates are not placed (*collocati*) in Italy or in any case where payments on the Certificates are not received through an entrusted Italian resident bank or financial intermediary (that is involved in the collection of payments on the Certificates, in the repurchase or in the transfer thereof) and no withholding tax is levied, the individual beneficial owners will be required to declare the payments in their income tax return and subject them to a final substitute tax at a rate of 26 per cent. The Italian individual Investor may elect instead to pay ordinary IRPEF at the progressive rates applicable to them in respect of the payments; if so, the Investor should generally benefit from a tax credit for withholding taxes applied outside Italy, if any.

9.7.7 Inheritance and gift taxes

Transfers of any valuable assets (including the Certificates) as a result of death or inter vivos gift (or other transfers for no consideration) and the creation of liens on such assets for a specific purpose are taxed as follows:

- a) 4% if the transfer is made to spouses and direct descendants or ancestors; in this case, the transfer is subject to tax on that part of value that exceeds EUR 1,000,000 (per beneficiary);
- b) 6% if the transfer is made to brothers and sisters; in this case, the transfer is subject to the tax on that part of value that exceeds EUR 100,000 (per beneficiary);
- c) 6% if the transfer is made to relatives up to the fourth degree (*parenti fino al quarto grado*), to persons related by direct affinity as well as to persons related by collateral affinity up to the third degree (*affini in linea retta nonché affini in linea collaterale fino al terzo grado*); and

- d) 8% in respect of the net value of the inheritance/gift received by each person, if the transfer is made to persons other than the above-mentioned.

If the transfer is made in favour of persons with severe disabilities, the tax applies on that part of value that exceeds EUR 1,500,000.

9.7.8 Transfer tax

Transfer tax previously generally payable on the transfer of the Certificates has been abolished. A EUR 200.00 registration tax may be applicable to the transfer of the Certificates under certain circumstances.

9.7.9 Stamp Duty

Pursuant to Law Decree No. 201 of 6 December 2011, a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by financial intermediaries to their clients and relating to securities and financial instruments. The stamp duty applies at a rate of 0.20%; this stamp duty is determined on the basis of the market value or – if no market value is available – the nominal value or redemption amount of the securities held. The stamp duty cannot exceed the amount of EUR 14,000 if the recipient of the periodic reporting communications is an entity (*i.e.*, not an individual).

It may be understood that the stamp duty applies both to Italian resident and non-Italian resident investors, to the extent that the notes are held with an Italian-based financial intermediary.

9.7.10 Wealth Tax

Pursuant to Law Decree No. 201 of 6 December 2011, Italian resident individuals holding the certificates abroad are required to pay a wealth tax (IVAFE) at a rate of 0.20% for each year. This tax is calculated on an annual basis on the market value of the certificates at the end of the relevant year or – if no market value is available – the nominal value or the redemption value of such financial assets held abroad.

Taxpayers are entitled to an Italian tax credit equivalent to the amount of any wealth tax paid in the State where the financial assets are held (up to an amount equal to the IVAFE due).

9.7.11 Financial Transaction Tax (FTT) depending on the features of the Certificates

Pursuant to Law No. 228 of 24 December 2012, a FTT applies to (a) transfer of ownership of shares and other participating securities issued by Italian resident companies or of financial instruments representing the just mentioned shares and/or participating securities (irrespective of whether issued by Italian resident issuers or not) (the Relevant Securities), (b) transactions on financial derivatives (i) the main underlying assets of which are the Relevant Securities, or (ii) whose value depends mainly on one or more Relevant Securities, as well as to (c) any transaction on certain securities (i) which allow to mainly purchase or sell one or more Relevant Securities or (ii) implying a cash payment determined with main reference to one or more Relevant Securities.

Certificates could be included in the scope of application of the FTT if they meet the requirements set out above. On the other hand, Certificates falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) are not included in the scope of the FTT.

The FTT on derivative instruments is levied at a fixed amount that varies depending on the nature of the relevant instrument and the notional value of the transaction, and ranges between EUR 0.01875 and EUR 200 per transaction. The amount of FTT payable is reduced to 1/5 of the standard rate in case the transaction is performed on regulated markets or multilateral trading facilities of certain EU and EEA member States. The FTT on derivatives is due by each of the parties to the transactions. FTT exemptions and exclusions are provided for certain transactions and entities.

The FTT is levied and paid by the subject (generally a financial intermediary) that is involved, in any way, in the execution of the transaction. Intermediaries who are not resident in Italy but are liable to apply the FTT can appoint an Italian tax representative for the purposes of the FTT. If no intermediary is involved in the execution of the transaction, the FTT must be paid by the taxpayers. Investors are advised to consult their own tax advisers also on the possible impact of the FTT.

9.7.12 Tax monitoring obligations

Italian resident individuals (and certain other entities) are required to report in their yearly income tax return, according to Law Decree No. 167 of 28 June 1990, converted into law by Law No. 227 of 4 August 1990, for tax monitoring purposes, the amount of Certificates held abroad (or beneficially owned abroad under Italian anti-money laundering provisions). This also applies in the case that at the end of the tax year, Certificates are no longer held by the above Italian resident individuals and entities.

However, the above reporting obligation is not required with respect to Certificates deposited for management with qualified Italian financial intermediaries and with respect to contracts entered into through their intervention, provided that the same intermediaries apply a withholding tax or *imposta sostitutiva* on any income derived from income derived from the Certificates.

9.8 Taxation in the Netherlands

Scope of Discussion

The following is a general summary of certain material Netherlands tax consequences of the purchase, ownership and disposal of the Securities. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, it should be treated with corresponding caution.

This summary is based on the tax laws of the Netherlands, published regulations thereunder and published authoritative case law, all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect. Where the summary refers to "the Netherlands" it refers only to the part of the Kingdom of the Netherlands located in Europe.

This discussion is for general information purposes only and is not tax advice or a complete description of all tax consequences relating to the acquisition, holding and disposal of the Securities. Holders or prospective holders of Securities should consult their own tax advisors regarding the tax consequences relating to the acquisition, holding and disposal of the Securities in light of their particular circumstances.

Please note that the summary in this section does not describe the Netherlands tax consequences for:

- holders of Securities if such holders, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Issuer under the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with his/her partner (as defined in The Netherlands Income Tax Act 2001), directly or indirectly, holds (i) an interest of 5% or more of the total issued and outstanding capital of that company or of 5% or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) rights to acquire, directly or indirectly, such interest; or (iii) certain profit sharing rights in that company that relate to 5% or more of the company's annual profits and/or to 5% or more of the company's liquidation proceeds. A deemed substantial interest may arise if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;
- holders of Securities who are resident of the Netherlands, if such holders, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children), (a) have a substantial interest or deemed substantial interest or right in another company and will obtain, under the Securities, an additional interest or right in this company, (b) have a substantial interest or deemed substantial interest under the Securities in another company, or (c) obtain a substantial interest or deemed substantial interest in another company under the Securities;
- holders of Securities who are non-residents of the Netherlands, if such holders, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children), (a) have a substantial interest or deemed substantial interest or right in a Netherlands company and will obtain, under the Securities, an additional interest or right in this Netherlands company, (b) have a substantial interest or deemed substantial interest under the Securities in a Netherlands Company, or (c) obtain a substantial interest or deemed substantial interest under the Securities in a Netherlands company;
- holder of Securities if the holder has an interest or could obtain an interest under the Securities in (a) real estate located in the Netherlands, or (b) an entity of which the assets consist or have consisted, directly or indirectly, on a consolidated basis or not, for 30% or more, of real estate located in the Netherlands;
- holders of Securities if the holder has an interest or could obtain an interest under the Securities that qualifies as a 'participation' (*deelneming*) (generally, an interest of 5% or more alone or together with a related entity) for the purposes of the Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*);
- pension funds, investment institutions (*fiscale beleggingsinstellingen*), exempt investment institutions (*vrijgestelde beleggingsinstellingen*) (as defined in The Netherlands Corporate Income Tax Act 1969) and other entities that are, in whole or in part, not subject to or exempt from Netherlands corporate income tax;
- holders of Securities who receive or have received the Securities as employment income, deemed employment income or receive the Securities as a remuneration or deemed remuneration for activities performed by such holders or certain individuals related to such holders (as defined in The Netherlands Income Tax Act 2001);
- holders of Securities who are resident of the Netherlands if such Securities entitle the holder to the beneficial ownership of (a) profit participating loans or right in an entity or (b) an interest in the enterprise of a tax transparent entity;

- holders of securities who are non-residents of the Netherlands if such Securities entitle the holder to the beneficial ownership of (a) profit participating loans or rights in a Netherlands entity or (b) an interest in the enterprise of a Netherlands tax transparent entity; and
- holders of Securities if such Securities are or are treated as (a) shares (*aandelen*), (b) profit participating certificates (*winstbewijzen*), (c) are linked to profits, (d) profit participating rights, (e) debt characterized as equity for Netherlands tax purposes, or (f) redeemable in exchange for, convertible into or linked to shares or other equity instruments, issued or to be issued by a Netherlands entity, the Issuer or an entity related to the Issuer.

9.8.1 Withholding tax

All payments made by the Issuer under the Securities may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

9.8.2 Taxes on income and capital gains

9.8.3 Netherlands Resident Entities

Generally speaking, if the holder of Securities is an entity that is a resident or deemed to be resident of the Netherlands for Netherlands corporate income tax purposes (a "Netherlands Resident Entity"), any payment under the Securities or any gain or loss realized on the disposal or deemed disposal of the Securities is subject to Netherlands corporate income tax at a rate of 20% with respect to taxable profits up to €200,000 and 25% with respect to taxable profits in excess of that amount (rates and brackets for 2018).

9.8.4 Netherlands Resident Individuals

If a holder of Securities is an individual, resident or deemed to be resident of the Netherlands for Netherlands income tax purposes (a "Netherlands Resident Individual"), any payment under the Securities or any gain or loss realized on the disposal or deemed disposal of the Securities is taxable at the progressive income tax rates (with a maximum of 51.95 % in 2018), if:

- the Securities are attributable to an enterprise from which the holder of Securities derives a share of the profit, whether as an entrepreneur (*ondernemer*) or as a person who has a co entitlement to the net worth (*medegerechtigd tot het vermogen*) of such enterprise without being a shareholder (as defined in The Netherlands Income Tax Act 2001); or
- the holder of Securities is considered to perform activities with respect to the Securities that go beyond ordinary asset management (*normaal, actief vermogensbeheer*) or derives benefits from the Securities that are taxable as benefits from other activities (*uit overige werkzaamheden*).

If the above-mentioned conditions (i) and (ii) do not apply to the individual holder of Securities, such holder will be taxed annually on a deemed, variable return (with a maximum of 5.38 % in 2018) of his/her net investment assets for the year (*rendementsgrondslag*) at an income tax rate of 30%. The net investment assets for the year are the fair market value of the investment assets less the allowable liabilities on 1 January of the relevant calendar year. The Securities are included as investment assets. A tax free allowance may be available. Actual income, gains or losses in respect of the Securities are not subject to Netherlands income tax.

For the net investment assets on 1 January 2018, the deemed return ranges from 2.02 % up to 5.38 % (depending on the aggregate amount of the net investment assets on 1 January 2018). The deemed, variable return will be adjusted annually (on the basis of historic market yields).

9.8.5 Non-residents of the Netherlands

A holder of Securities that is neither a Netherlands Resident Entity nor a Netherlands Resident Individual will not be subject to Netherlands taxes on income or capital gains in respect of any payment under the Securities or in respect of any gain or loss realized on the disposal or deemed disposal of the Securities, provided that:

- such holder does not have an interest in an enterprise or deemed enterprise (as defined in The Netherlands Income Tax Act 2001 and The Netherlands Corporate Income Tax Act 1969) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Securities are attributable; and
- in the event the holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Securities that go beyond ordinary asset management and does not derive benefits from the Securities that are taxable as benefits from other activities in the Netherlands.

9.8.6 Gift and inheritance taxes**9.8.7 Residents of the Netherlands**

Gift or inheritance taxes will arise in the Netherlands with respect to a transfer of the Securities by way of a gift by, or on the death of, a holder of such Securities who is resident or deemed resident of the Netherlands at the time of the gift or his/her death.

9.8.8 Non-residents of the Netherlands

No Netherlands gift or inheritance taxes will arise on the transfer of Securities by way of gift by, or on the death of, a holder of Securities who is neither resident nor deemed to be resident in the Netherlands, unless:

- (i) in the case of a gift of a Security by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands; or
- (ii) the transfer is otherwise construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands.

For purposes of Netherlands gift and inheritance taxes, amongst others, a person that holds the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his/her death. Additionally, for purposes of Netherlands gift tax, amongst others, a person not holding the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the twelve months preceding the date of the gift. Applicable tax treaties may override deemed residency.

9.8.9 Other taxes and duties

No Netherlands value added tax and no Netherlands registration tax, stamp duty or any other similar documentary tax or duty will be payable by the holders of Securities on any payment in consideration for the issue of the Securities or the payment of interest by the Issuer under the Securities.

9.9 Taxation in Norway

9.9.1 Introduction

The following is a brief summary of certain Norwegian tax considerations relevant to investors that are residents of Norway for purposes of Norwegian taxation (resident or Norwegian investors). The summary is based on applicable Norwegian laws, rules and regulations as of the date of this Base Prospectus. Such laws, rules and regulations may be subject to changes after this date, possibly on a retroactive basis for the same tax year. The summary is of a general nature and does not purport to be a comprehensive description of all tax considerations that may be relevant and does not address taxation in any other jurisdiction than Norway.

Furthermore, the summary focuses only on investor categories explicitly mentioned below and does not concern tax issues for the Issuer. Special rules may apply to entities which are considered transparent for tax purposes, for investors holding Securities through a Norwegian permanent establishment and for investors that have ceased or cease to be resident in Norway for tax purposes.

Each investor should consult with and rely upon their own tax advisers to determine their particular tax consequences for him or her and the applicability and effect of any Norwegian or foreign tax laws and possible changes in such laws.

Please note that for the purpose of the summary below, a reference to a Norwegian investor refers to the tax residency rather than the nationality of the shareholder.

9.9.2 Taxation of personal and corporate investors tax resident in Norway

9.9.3 Personal investors

Any profit gained upon sale or redemption of the Securities is considered taxable capital gain, and loss is correspondingly considered as deductible capital loss. In general capital gains are taxed as capital income at a flat rate of 23 % in the year the Securities are sold or redeemed. The same flat rate applies for losses. The exact tax consequences from a sale or redemption of the Securities depend, however, on the particular underlying for the relevant Security. In general, if the underlying consists of shares, the tax rules regarding share will apply and capital gain shall be multiplied by 1.33 before included in the investor's capital income, which could increase the effective tax rate to 30.59%.

The taxable gain or loss is calculated per security as the difference between the consideration received and the cost price of the security, including any costs incurred upon acquisition or redemption of the security.

Special exit tax rules apply for resident personal shareholders that cease to be tax resident in Norway.

Norwegian personal investors are generally subject to net wealth taxation at a current rate of 0.85 % on net tax assets exceeding NOK 1 480 000. The Securities will be included in the net wealth tax assets with their value as of 1 January in the assessment year.

9.9.4 Corporate investors

Any profit gained by corporate investors (i.e. limited liability companies and certain similar entities) are as a starting point considered taxable capital gain, and loss is correspondingly considered as deductible capital loss. Capital gains are taxed as capital income at a rate of 23 % in the year the Securities are sold or redeemed. The taxable gain or loss is calculated per security as the difference between the consideration received and the cost price of the security, including any costs incurred upon acquisition or redemption of the security.

If the underlying object of the relevant Securities is shares or an index which covers shares, capital gains may be exempt from taxation, and losses may not be deductible pursuant to the participation exemption method ("*Fritaksmetoden*"). However, if the underlying shares are in entities outside the European Economic Area, or an index covering shares in such entities, additional conditions must be met for the exemption method to apply. If the Securities have several different shares (or even a mix with other securities) as underlying objects, or is linked to e.g. a share index, the Securities should be assessed more closely to determine whether it will qualify for the participation exemption or not. In the Norwegian tax authorities' view, more than 90 % of the underlying investments must be "qualifying instruments" pursuant to the participation exemption regime for the participation exemption method to apply.

Norwegian corporate investors are not subject to net wealth tax.

9.9.5 Other taxes

Norway does not impose any stamp duty or transfer tax on the transfer of Securities.

Norway does not impose any inheritance tax. However, the heir continues the giver's tax positions, including the input values, based on principles of continuity.

9.10 Taxation in Sweden

The following is a summary of certain Swedish tax consequences for investors who are individuals or limited liability companies tax resident in Sweden (unless otherwise stated). The summary is based on the legislation currently in force and is not intended to be a comprehensive presentation of all the information necessary for an investment in the Securities. The summary contains only a general overview of the Swedish tax consequences from an investment in the Securities and is neither intended to be nor should be construed as legal or tax advice.

The tax treatment of each individual investor depends on such investor's particular circumstances. Each investor should therefore consult a tax advisor for information on the specific implications that may arise in an individual case, including the applicability and effect of foreign rules and tax treaties. Specific tax consequences which are not described below may also arise for certain categories of investors. For instance, the summary does not address situations where the Securities are held as current assets in business operations or held by partnerships, investment companies, insurance companies or investment funds. Moreover, the summary does not address the situation where securities are held on a so called investment savings account (Sw. "*investeringssparkonto*") which are subject to special rules and are taxed on a notional basis.

9.10.1 Taxation of individuals and limited liability companies tax resident in Sweden

9.10.2 Individuals

Upon the sale or redemption of the Securities, a taxable capital gain or deductible capital loss may arise. Capital gains are taxed as income from capital at a rate of 30%. The capital gain or loss is normally calculated as the difference between the sales or redemption proceeds, after deducting the costs for the disposal, and the tax basis. The tax basis for all Securities of the same class and type are normally added together and computed collectively in accordance with the "average method".

The exact tax consequences from a sale or redemption of the Securities depend on the particular underlying for the relevant Securities. In general, if the underlying consists of assets classified as *equity instruments*, the tax rules that apply to assets that are taxed as shares are generally applicable. If the underlying consists of assets classified as *debt instruments*, the tax rules that apply to such type of instruments are generally applicable. If the underlying consists of other assets than assets classified as equity instruments or debt instruments, the tax rules that apply to *other assets* are generally applicable. The distinction between these categories is mainly relevant due to the fact that capital losses are treated differently under Swedish tax law depending on the classification of an instrument as an equity instrument, debt instrument or other asset.

Capital losses on listed Securities with an underlying of equity instruments will be fully deductible against taxable capital gains on shares and on other listed equity instruments, with the exception of units in securities funds or special funds which consist exclusively of Swedish receivables ("Swedish interest funds"). Up to 70% of capital losses on Securities that cannot be offset in this way are deductible against other capital income. Capital losses on listed Securities with an underlying of debt instruments should generally be fully deductible against other capital income. Capital losses on Securities with an underlying of other assets than equity instruments or debt instruments are generally deductible at 70% against other capital income.

If there is a net loss in the capital income category, a tax reduction is allowed against municipal and national income tax, as well as against real estate tax and municipal real estate charges. A tax reduction of 30% is allowed on the portion of such net loss that does not exceed SEK 100 000 and 21% of any remaining loss. Such net loss cannot be carried forward to future fiscal years.

The Securities do not provide current income such as interest or dividends. Income from the Securities should therefore generally be classified as a capital gain on which no preliminary tax will be withheld. Should any income from the Securities nevertheless be classified as e.g. interest for tax purposes, it will be taxed as income from capital at a rate of 30 per cent. A preliminary tax of 30% is generally withheld on such payments to individuals resident in Sweden. The preliminary tax is usually withheld by Euroclear Sweden or, in the case of nominee-registered shares, by the Swedish nominee.

9.10.3 Limited liability companies

For a limited liability company, all income, including taxable capital gains, is taxed as business income at a rate of 22%. Capital gains and capital losses are calculated in the same manner as set forth above with respect to individuals. Deductible capital losses on Securities classified as equity instruments may only be deducted against taxable capital gains on such instruments. Such capital losses may also, if certain conditions are fulfilled, be offset against such capital gains in a company within the same group, provided that the requirements for exchanging group contributions (Sw. *koncernbidrag*) are met. A capital loss on Securities classified as equity instruments that cannot be utilised during a given year may be carried forward and be offset against taxable capital gains on equity instruments during subsequent fiscal years without any limitation in time.

9.10.4 Taxation of individuals and limited liability companies not tax resident in Sweden**9.10.5 Capital gains taxation**

Holders of Securities that are not tax resident in Sweden and who are not operating a business from a permanent establishment in Sweden are generally not liable for Swedish capital gains taxation on the sale or redemption of the Securities. Such holders may, however, be subject to tax in their country of residence.

Under a specific tax rule, individuals that are not tax resident in Sweden may, however, be subject to tax in Sweden on the sale or redemption of Securities classified as equity instruments if they have been resident or lived permanently in Sweden at any time during the calendar year of such disposal or during any of the previous ten calendar years. Since the Securities are issued by an entity that is not organised under the laws of Sweden, a further requirement for the tax liability to apply under this rule is that such Securities must also have been acquired when the individuals were tax resident in Sweden. The application of this rule may be limited by an applicable tax treaty.

9.10.6 Withholding tax

Since the Securities do not provide current income, no Swedish withholding tax will be imposed on any payments on the Securities. For information purposes, Sweden only imposes withholding tax on dividend payments on Swedish shares paid to non-resident shareholders.

9.10.7 Other taxes

No inheritance tax, gift or net wealth tax is levied in Sweden, nor are any stamp or similar duties imposed in Sweden on the transfer of the Securities.

9.11 Taxation in Switzerland

The following is a general summary of certain tax consequences according to the tax laws and the tax authorities' practice as of the date of this Base Prospectus. This outline is a summary and not exhaustive and does not take into consideration possible special circumstances of some investors and should not be considered as tax advice. The tax treatment of each investor depends on the particular situation. Tax laws and the tax authorities' practice may undergo changes (or their interpretation or application may change) and their validity might also be retroactive.

Investors and prospective investors are advised to consult with their tax advisers with respect to the tax consequences of the purchase, ownership, disposition, lapse or exercise or redemption of a Security in light of their particular circumstances.

9.11.1 Stamp Taxes

Neither the issue of securities nor the trade of securities which classify as pure derivatives for Swiss tax purposes are normally subject to Swiss Issuance Stamp Tax and Swiss Transfer Stamp Tax even if an issuer resident in Switzerland issues the securities. Exemptions to these rules apply to securities which, due to specific features, are considered debt financing instruments (bonds, or money market securities), share-like or fund-like securities, as well as Low Exercise Price Options (LEPO) on shares (with a maturity exceeding one year) for purposes of Swiss tax law. Such kind of securities are in general subject to Swiss Issue Stamp Tax and/or Swiss Securities Transfer Tax. If upon the exercise or redemption of a security an underlying security is delivered to the investors, the transfer of the underlying security may be subject to Swiss Securities Transfer Tax (i) of 0.15% in the case of an underlying security which has been issued by a Swiss resident issuer or (ii) of 0.3% in the case of an underlying security which has been issued by an issuer resident abroad, provided in both cases that a Swiss securities dealer (*Effekthändler*), as defined in art. 13 para. 3 of the Federal Stamp Tax Act (*Bundesgesetz über die Stempelabgaben*), is a party to the securities transaction or acts as an intermediary thereto. Certain exemptions may, inter alia, apply with regard to certain institutional investors such as mutual funds, life insurance companies and social security institutions.

9.11.2 Swiss Withholding Tax

Securities issued by an issuer resident outside Switzerland are not subject to Swiss withholding tax.

For Securities subject to Swiss withholding tax the issuer will arrange for withholding of taxes at the source.

The investor who is resident in Switzerland may be entitled to a full refund of or a full tax credit for the Swiss federal withholding tax, subject to conditions being met.

A non Swiss resident investor may be able to claim a full or partial refund of the Swiss federal withholding tax if such an investor is entitled to claim the benefits with regard to such a payment of a double taxation treaty between Switzerland and his or her country of residence.

9.11.3 Income Taxation of Securities Held by Individuals as Part of Private Property

Payments or credits received by a holder of a security, which are considered, from a Swiss taxation perspective, as investment income (dividends or interests or other income), are subject to income tax. Gains or losses realized upon a sale or other disposition by Swiss resident individuals holding a security as part of their private property and which qualify as private capital gains or losses for Swiss tax purposes are as a rule not subject to income taxation or are not deductible from taxable income respectively. Capital gains may, however, be subject to income taxation, if a security or a distinguishable part thereof qualifies as a bond where the predominant part of the annual yield is paid in a one time payment ("*überwiegende Einmalverzinsung*") or the security is considered as not transparent for Swiss tax purposes. Losses arising from predominant one time interest paying bonds may be deducted from gains from similar instruments in the same tax period. Furthermore, for LEPO with a maturity exceeding one year the interest component is subject to income tax.

Profits and option premiums from securities, which are considered as pure derivatives for Swiss tax purposes (financial futures, options) are not subject to the income tax as such profits are in general considered as private capital gains provided the investor is holding the securities as private assets. Possible losses are not tax-deductible.

Income derived from a security which is neither a private capital gain nor a repayment of paid in capital (or face value in case of shares) is generally subject to income tax on Cantonal as well as on Federal level. This applies, inter alia, to any issuance discount, repayment premium, other guaranteed payments (besides repayment of capital) or any combination thereof. Payments or credits received by an investor because of dividends, interest etc. of the underlying may be subject to income tax for such investor. This may apply likewise to payments or credits derived from underlying funds.

9.11.4 Income Taxation of Warrants and Structured Securities Held by Swiss Resident Entities or Individuals as Part of Business Property

Income of any kind realized from securities as part of the business property of individuals (including deemed securities dealers due to frequent dealing, debt financing and similar criteria (*Wertschriftenhändler*)) or entities resident in Switzerland are subject to personal income tax or corporate income tax on Cantonal as well as on Federal level respectively. In general respective losses are deductible regarding personal or corporate income tax.

9.11.5 Wealth Taxation of Securities Held by Swiss Resident Individuals

The market value of securities may be subject to Cantonal wealth tax levied on overall net wealth of Swiss resident individuals, regardless of whether the instruments are held as part of the private or business property.

9.11.6 Automatic Exchange of Information (AEOI)

Cross-border tax evasion should be prevented with the help of the global standard for the automatic exchange of financial account information (AEOI). To date, more than 100 countries have committed themselves to introducing this global standard in the area of tax transparency. On 9 December 2014, the Economic and Financial Affairs Council of the European Union officially adopted the revised Directive on Administrative Cooperation 2011/16/EU (the "ACD") (regarding mandatory automatic exchange of information in the field of taxation), which effectively incorporates the Common Reporting Standard. EU Member States have been required to adopt and publish the laws, regulations and administrative provisions necessary to comply with the ACD by 31 December 2015. They have been required to apply these provisions from 1 January 2016 and to automatically exchange the information since end of September 2017.

The Federal Assembly has approved the Multilateral Convention on Administrative Assistance and the Multilateral Competent Authority Agreement on the Automatic Exchange of Financial Account Information (MCAA) simultaneously with the Federal Act on the International Automatic Exchange of Information in Tax Matters (AIAG) on 18 December 2015 in order to introduce the AEOI standard in Switzerland. The regulation on the international automatic exchange of information in tax matters, which contains the implementing provisions, was adopted by the Federal Council on 23 November 2016. Therefore, Switzerland has enacted the required legislation to implement the AEOI as of 1 January 2017. The AEOI was activated with 38 states and territories on this date. Since then, Swiss financial institutions subject to the reporting duty have been collecting account information concerning persons resident in these partner states for tax purposes. Such personal, account and financial information about the account holder or controlling person will be exchanged from autumn 2018 on annual basis. Parliament adopted the federal decrees concerning the introduction of the AEOI with further partner states from 2018/2019 in December 2017. This means that Swiss financial institutions have been collecting account information in connection with further 38 partner states since 1 January 2018 and this will be exchanged for the first time in autumn 2019.

9.12 Description of the tax in connection with the U.S. withholding tax pursuant to section 871(m) of the U.S. Internal Revenue Code

Section 871(m) of the U.S. Internal Revenue Code ("IRC") and the provisions issued thereunder stipulate that for certain financial instruments (such as for the Securities) a withholding tax (of up to 30% depending on the application of income tax treaties) shall be imposed if the payment (or deemed payment) on the financial instruments is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States.

Pursuant to these U.S. legal provisions, certain payments (or deemed payments) under certain equity-linked instruments that refer to the performance of U.S. equities or certain indices that contain U.S. equities, as an underlying or a basket component, shall be treated as dividend equivalents ("**Dividend Equivalents**") and shall be subject to U.S. withholding tax of 30% (or a lower income tax treaties rate). **This tax liability shall apply even if pursuant to the terms and conditions of the Securities no actual dividend-related amount is paid or an adjustment is made and thus investors can only determine with difficulty or not at all any connection to the payments to be made in respect of the Securities.**

It is thus possible that these U.S. provisions also apply to the Securities, particularly if an Underlying contains dividends from sources within the United States. In such case U.S. withholding tax may be due, pursuant to the relevant US provisions, on payments (or deemed payments) made in respect of Securities issued (or whose features have been modified significantly) after 1 January 2017 (however, the implementation rules issued for the U.S. provisions stipulate that the tax liability will be phased in, not commencing until 1 January 2018 for some securities).

The Issuer intends, if possible, to take any tax liability pursuant to section 871(m) into account in original and continuous pricing of the Securities and to comply with the withholding obligation using provisions that have to be made accordingly. For Securities structured in such a way that expected dividends cannot be factored into original pricing, the Issuer takes the tax liability into account in its continuous adjustment of amounts such as the underlying price to dividends paid and other factors. Investors should note that compliance with tax liability in this manner precludes the issue of tax certificates for tax payments rendered for individual investors and that no potential tax refund pursuant to the relevant U.S. provisions may be claimed either. Moreover, a 30% tax rate is generally applied, also when taking account of the tax liability in continuously adjusting amounts, due to the necessity of using a uniform rate for all investors in all cases mentioned.

If, however, on the basis of section 871(m), an amount of interest, principal or other payments on the Securities is deducted or withheld, neither the Issuer nor any paying agent or other person pursuant to the terms and conditions of the Securities would be obliged to pay additional amounts to the Security Holders as a result of the deduction or withholding, in which case the Security Holders would thus potentially receive less interest or principal than expected. In the worst case, any payments to be made in respect of the Security would be reduced to zero (0) or the amount of tax due would even exceed the payments to be made in respect of the Security (the latter situation may also arise if the Securities were to expire worthless and no payment was made to investors).

10. German Guarantee

Bank Vontobel Europe AG, Munich, Germany (the "**German Guarantor**") hereby unconditionally and irrevocably guarantees to the holders of the securities for which the Guarantor is stipulated to be Bank Vontobel Europe AG, Munich (the German Guarantor) in the respective Product Conditions (the "**Creditors**") issued by Vontobel Financial Products GmbH, Frankfurt am Main, Germany (the "**Debtor**") under this Base Prospectus (the "**Securities**") the due payment of all amounts payable in accordance with the Terms and Conditions of the Securities, subject to the following conditions:

- (1) This guarantee constitutes a contract in favour of the Creditors as third party beneficiaries pursuant to section 328 paragraph (1) of the German Civil Code (*Bürgerliches Gesetzbuch*) entitling each Creditor to demand performance of the payment obligations undertaken by the German Guarantor and to enforce such payment obligations against the German Guarantor (the "**German Guarantee**").
- (2) This German Guarantee constitutes direct, unsubordinated and unsecured obligations of the German Guarantor ranking, in the event of dissolutions, liquidation or insolvency of the German Guarantor or any proceeding to avoid insolvency of the German Guarantor, *pari passu* with all other present and future unsubordinated and unsecured obligations of the German Guarantor, save for such obligations which may be preferred by applicable law.
- (3) The intent and purpose of this German Guarantee is to ensure that the Creditors, under any and all circumstances, whether factual or legal, and irrespective of validity or enforceability of the obligations of the Debtor, or any other reasons on the basis of which the Debtor may fail to fulfil its payment obligations, receive on the respective due date any and all sums payable on the maturity date in accordance with the Terms and Conditions of the Securities.
- (4) Upon first written demand by the Creditors and their written confirmation that an amount under the Securities has not been paid when due by the Debtor, the German Guarantor shall pay to them all amounts required to fulfil the intent and purpose of this German Guarantee specified in paragraph (3) above. Payments under this German Guarantee are subject to (without limitation) the Terms and Conditions of the Securities.
- (5) Upon discharge of any obligations of the Debtor or the German Guarantor subsisting under the Securities or under this German Guarantee in favour of a Creditor, the relevant guaranteed right of such Creditor under the Securities or the German Guarantee, respectively, shall cease to exist.
- (6) The form and content of this German Guarantee as well as all rights and duties arising therefrom are governed exclusively by the laws of Germany. Non-exclusive court of venue for all litigation with this German Guarantee and arising from the legal relations established under this German Guarantee is Munich.

Munich, 25 September 2018

Bank **Vontobel Europe AG**

signed Jürgen Kudsus

signed Andreas Heinrichs

11. Swiss Guarantee

Vontobel Holding AG, Zurich, Switzerland (the "**Swiss Guarantor**") hereby unconditionally and irrevocably, in accordance with article 111 of the Swiss Code of Obligations (*Schweizerisches Obligationenrecht*, "**OR**"), guarantees to the holders of the securities for which the Guarantor is stipulated to be Vontobel Holding AG, Zurich (the Swiss Guarantor) in the respective Product Conditions (the "**Creditors**") issued by Vontobel Financial Products GmbH, Frankfurt am Main, Germany (the "**Debtor**") under the Base Prospectus (the "**Securities**") the proper payment of all amounts payable in accordance with the terms and conditions of the securities, subject to the following conditions:

- (1) This guarantee represents an independent, unsecured and non-subordinated obligation of the Swiss Guarantor, which ranks *pari passu* with all its other unsecured and non-subordinated obligations, except those that have preference by law.
- (2) The intent and purpose of this guarantee is to ensure that, under all actual or legal circumstances and irrespective of motivations, defences, or objections on whose grounds payments may fail to be made by the Debtor, and irrespective of the effectiveness and enforceability of the obligations of the Debtor under the Securities, the Creditors receive the amounts payable on the maturity date and in the manner specified in the terms and conditions of the Securities.
- (3) Upon first demand by the holders and their written confirmation that an amount under the Securities has not been paid when due by the Debtor, the Swiss Guarantor shall pay to them immediately all amounts required to fulfil the intent and purpose of this guarantee specified in paragraph (2) above.
- (4) The guarantee shall remain in force until all amounts under paragraph (3) have been paid in full, irrespective of any concessions the Creditors have granted the Debtor.
- (5) For as long as the Swiss Guarantor has not paid in full amounts that have become due and are payable by it, it shall not claim vis-à-vis the Debtor, in respect of any payments it has made according to the guarantee, any recourse or other rights to which it may become entitled in relation to or as a result of such partial payment.
- (6) Each payment made under this guarantee shall reduce the Swiss Guarantor's obligation accordingly.
- (7) This guarantee represents an independent guarantee (and not surety (*Bürgschaft*)) under Swiss law. All rights and obligations arising from the guarantee are subject in all respects to Swiss law.
- (8) The courts of law of the Canton of Zurich shall have exclusive jurisdiction over all actions and legal disputes relating to the guarantee. The place of jurisdiction shall be Zurich 1. Notwithstanding the foregoing, appeals may be lodged with the Swiss Federal Supreme Court in Lausanne, whose decision shall be final.

Zurich, 25 September 2018

Vontobel Holding AG

signed Bruno Kohli

signed Florian Bättig

12. Form of Final Terms

[in case of a Continuation of a Public Offer of Securities (see section 7.7 of the Base Prospectus) the information included in the Form of Final Terms of the Base Prospect under which such Securities were offered to the public initially will be incorporated by reference at this point.]

Vontobel

Investment Banking / Final Terms / *[insert date of Final Terms: ●]*

Final Terms

[in the case of a replacement (which term shall exclude the case of an Increase) of the Final Terms: (which replace the Final Terms dated ●)]

for

[insert Nordic Growth Market (NGM) symbol, if applicable: ●]

[type of Security: ●]

[insert marketing name, if appropriate: ●]

linked to

[insert Underlying(s): ●]

[ISIN ●]

(the "**Securities**")

Issuer:	Vontobel Financial Products GmbH , Frankfurt am Main, Germany
Guarantor:	[Vontobel Holding AG , Zurich, Switzerland] [Bank Vontobel Europe AG , Munich, Germany]
Offeror:	Bank Vontobel Europe AG , Munich, Germany
Securities identification numbers:	ISIN:● [/ WKN: ●] [/ Valor: ●] [/ NGM Symbol: ●] [/] <i>[insert additional securities identification number, if any: ●]</i>
Total offer volume:	● Securities

These Final Terms were prepared for the purposes of Article 5 (4) of Directive 2003/71/EC and should be read in conjunction with the Base Prospectus (including any supplements) dated 25 September 2018. It should be noted that only the Base Prospectus dated 25 September 2018 (including the information incorporated in it by reference) and these Final Terms together contain all the information about the Issuer, the Guarantor and the Securities offered. The Base Prospectus, any supplements and these Final Terms are published on the Issuer's website (certificates.vontobel.com) whereby the Final Terms are accessible by entry of the respective ISIN on the website certificates.vontobel.com and the Base Prospectus and any supplements thereto are directly accessible on the website certificates.vontobel.com under the section <<Legal Documents>>. **A summary for the specific issue is appended to these Final Terms.**

*[if the term of the Securities extends beyond the last day of validity of this Base Prospectus, insert additionally where applicable: The Base Prospectus dated 25 September 2018 is valid until *[insert date twelve months after approval of this Base Prospectus: ●]*. After that date, the Public Offer will be extended on the basis of one or more successor Base Prospectuses (each a "**Successor Base Prospectus**"), if the respective Successor Base Prospectus provides for an extension of the offer of the Securities. In this context, these Final Terms should be read together with the respective most recent Successor Base Prospectus and all references in these Final Terms to the Base Prospectus should be understood as references to the respective most recent Successor Base Prospectus. Each Successor Base Prospectus will be published at the latest on the last day of validity of the respective currently valid Base Prospectus on the website certificates.vontobel.com under the section <<Legal Documents>>.]*

These Final Terms were prepared for the purpose of [the Public Offer of the Securities] *[insert only in the case of a Private Placement: the admission to trading on a regulated market in the context of a Private Placement]*. [The issue of the Securities is [a new issue] [the *[insert number of Increase: •]* Increase].]

I. Terms and Conditions

The Securities are subject to the **General Conditions** in the *[in case of a new issue or an increase of Securities issued under this Base Prospectus: **Base Prospectus dated 25 September 2018 (section 8.1)** [in case of an increase of Securities issued under the Base Prospectus dated 25 September 2017: **Base Prospectus dated 25 September 2017**]* as well as the corresponding **Product Conditions for [(Protect (Pro)) (Express) Discount Certificates][(Protect (Pro)) Multi Discount Certificates][Bonus (Cap) (Pro) Certificates][Multi Bonus (Cap) (Pro) Certificates][Reverse Bonus (Cap) (Pro) Certificates with Ratio][Reverse Bonus (Cap) (Pro) Certificates with Nominal Ratio][(Best Entry) (Protect (Pro)) Fix Coupon Express Certificates/Notes][(Best Entry) (Memory) (Protect (Pro)) Express Certificates/Notes][(Best Entry) (Protect (Pro)) Multi Fix Coupon Express Certificates/Notes][(Best Entry) (Memory) (Protect (Pro)) Multi Express Certificates/Notes][(Best Entry) (Chance) (Lock-in) (Floored) (Floater) (Barrier) Reverse Convertibles][(Best Entry) (Chance) (Lock-in) (Floored) (Floater) (Barrier) Multi Reverse Convertibles][(section VIII.2)]** which together constitute the terms and conditions (the "Terms and Conditions").

[In the case of a new issue or increase of issue of Securities issued under this Base Prospectus, insert the relevant table from section 8.2 for the Product Conditions applicable in the particular case and select applicable options and complete applicable placeholders]

[In the case of an increase of issue of Securities issued under the Base Prospectus dated 25 September 2017, insert the relevant table from section VIII.2 for the Product Conditions applicable in the particular case and select applicable options and complete applicable placeholders]

[in case of multiple series of Securities, additionally insert table 1 and table 2 set out on the following page and select applicable options and complete applicable placeholders:

Annex to the Product Conditions**Table 1 (Product Information)**

ISIN [/]	Option Type	Underlying[s] [[<i>insert asset class of Underlying</i> : •]]	Settlement Currency /	Ratio	[Valuation Date[s]] [/]	Issue Size (up to) /
[WKN] [/]		[/] [Type]	[Initial Reference Price] [/]		[Final Valuation Date[s]] [/]	Issue Price /
[Valor] [/]			[Best Entry Price] [/]		[Expiry Date] [/]	Minimum Trading Lot
<i>[insert other identification number(s), if applicable: •]</i>			[Best Entry Observation Period] [/]		[Maturity Date]	
			[Number of the Deliverable Asset] [/]			
			[Reverse Level] [/]			
			[Strike] [/]			
			[Cap] [/]			
			[Maximum Amount] [/]			
			[Redemption Level[s]] [/]			
			[Final Redemption Level[s]] [/]			
			[Redemption Factor] [/]			
			[Bonus Level[s]] [/]			
			[Bonus Threshold[s]] [/]			
			[Bonus Amount[s]] [/]			
			[Observation Date[s]] [/]			
			[Bonus Payment Date[s]] [/]			
			[Interest Commencement Date] [/]			
			[Interest Payment Dates] [/]			
			[Interest Rate] [/]			
			Reference Interest Rate] [/]			
			[Spread] [/]			
			[Cap] [/]			
			[Multiplication Factor] [/]			
			[Barrier] [/]			

[illegible]

[•] [/]
[•] [/]
[•] [/]
[•] [/]
[•] [/]
[•] [/]
[•] [/]
[•] [/]
[•] [/]
[•] [/]
[•] [/]
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Table 2 (Underlying Information)

UNDERLYING [([INSERT ASSET CLASS OF UNDERLYING: •])] [/] TYPE]	ISIN UNDERLYING [/] [[BLOOMBERG][•] SYMBOL]	[CURRENCY AGENT]	REFERENCE AGENT	[DERIVATIVES EXCHANGE]	[INITIAL UNDERLYING [[[BLOOMBERG][•] SYMBOL]]] [/ [ROLLOVER MONTH(S)]]	[VALUATION TIME] [/] [UNIT OF MEASUREMENT] [/] [REFERENCE PRICE]	[BASE CURRENCY / STRIKE CURRENCY] [/] [REFERENCE PAGE]
•	• [/] [•]	•	•	•	[• [(•)]] [/] [•]	[•] [/] [•] [/] [•]	[• / •] [/] [•]

[All references to [insert ISO code of Currency: •] should be understood as references to [insert details of the Currency: •].]

]

II. INFORMATION ABOUT THE UNDERLYING[S] *[insert only if the Deliverable Asset is not the or an Underlying: AND THE DELIVERABLE ASSET]*

[The Underlying to which the Securities are linked is:]

[The Underlyings to which the Securities are linked is:]

[in case of multiple series of Securities: The following list comprises information about each Underlying to which Securities offered under these Final Terms may be linked. The relevant Underlying for the particular Securities is set out in Table 1 in the Annex to the Product Conditions (section I. of these Final Terms).]

[share, security representing shares (ADR/GDR) or other dividend-bearing security, issuer, ISIN and/or Bloomberg or other symbol, currency, further details where relevant]

[bond, issuer, ISIN and/or Bloomberg or other symbol, currency, further details where relevant]

[index, index calculation agent, ISIN and/or Bloomberg or other symbol, currency, index disclaimer where relevant, indication of where information about this index can be obtained, further details where relevant]

[commodity, ISIN and/or Bloomberg or other symbol, currency, brief description where relevant, further details where relevant]

[future, interest rate future, expiry month/year, ISIN and/or Bloomberg or other symbol, brief description where relevant, further details where relevant]

[exchange rate, ISIN and/or Bloomberg or other symbol, brief description where relevant, further details where relevant]

[interest rate, ISIN and/or Bloomberg or other symbol, brief description where relevant, further details where relevant]

[investment unit, description of fund, ISIN and/or Bloomberg or other symbol, currency, further details where relevant]

[designation of the virtual currency, ISIN and/or Bloomberg or other symbol where relevant, brief description where relevant, further details where relevant]

Information about the historical and future performance *[of the Underlying] [of the Underlyings] and [its volatility] [their volatilities]* can be obtained on the Internet from *[●] [http://www.bloomberg.com] [(symbol: ●)] [http://www.onvista.de] [the website specified above] [the websites specified above].*

[in the case of an index as the Underlying which is provided by a legal or natural person acting together with the Issuer or in its name:

All of the index rules and information about its performance can be obtained free of charge on the website[s] *[certificates.vontobel.com under the heading << Overview of Underlyings >>] [or] [of the Index Sponsor (www.[relevant website(s) of the Index Sponsor])].]*

[in the case of an index as the Underlying which is provided by a legal or natural person acting together with the Issuer or in its name:

The Issuer makes the following statement:

- the complete set of rules of the index and information on the performance of the index are freely accessible on the website[s] *[of the Issuer (certificates.vontobel.com)] [add further websites where relevant: [●]] [and/or] [of the Reference Agent (www.[relevant website(s) of the Reference Agent])]; and*
- the governing rules (including methodology of the index for the selection and the re-balancing of the constituents of the index, the description of market disruption events and adjustment rules) are based on predetermined and objective criteria.]

[in the event that the Deliverable Asset is not the Underlying:

[The Deliverable Asset which may be delivered is:]

[The Deliverable Assets which may be delivered are:]

[index certificates / ETPs, issuer, ISIN and/or Bloomberg symbol, currency, further details where relevant]

[investment unit, description of fund, ISIN and/or Bloomberg symbol, currency, further details where relevant]

[If applicable, insert relevant statement on benchmarks according to Article 29 para. 2 of Regulation (EU) 2016/1011 (the Benchmark Regulation): [The Cash Amount may be calculated or otherwise determined by reference to [insert specific benchmark(s): ●] which is provided by [insert legal name of administrator(s): ●]]. As at the date of these Final Terms, [[insert legal name of administrator(s): ●] is [not] included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("ESMA") pursuant to Article 36 of the Regulation (EU) 2016/1011 (the "Benchmark Regulation").] [insert alternative and/or additional statement(s) on benchmarks according to Article 29 para. 2 of the Benchmark Regulation: ●]]

[if applicable, insert information in relation to Section 871(m) of the Internal Revenue Code: ●]

III. FURTHER INFORMATION ON THE OFFER OF THE SECURITIES

1. Stock exchange listing and trading arrangements

Stock exchange listing:	[Not applicable] [Application is made for the Securities [to be admitted to trading [on [the regulated market of] Euronext [Amsterdam N.V.][Paris S.A.]] [in the regulated market of the Frankfurt Stock Exchange[,] [and]] [in the regulated market of the Stuttgart Stock Exchange[,] [and]] [and the]] [insert further stock exchange(s), as the case may be: •] [and]] [to be included in the regulated unofficial market of [the Frankfurt Stock Exchange (Börse Frankfurt Zertifikate Premium)] [and]] [the Stuttgart Stock Exchange (EUWAX)]] [on Mercato Telematico of securitised derivatives (SeDeX) of Borsa Italiana S.p.A. (Borsa)] [on the Nordic Growth Market (Nordic Derivatives Exchange [Den- mark][Finland][Sweden][Norway], NDX)] insert applicable stock exchange(s), as the case may be: •]]]. [If known, insert the first dates on which the Securities will be admitted to trading: •]
[Other existing stock exchange listings:	[•] [In the case of an increase of issue, indicate that the original Securities are already listed: •]]
Pricing:	[Prices are quoted as per-unit pricing.] [Prices are quoted as percentage.] [Accrued interest is [not included (clean pricing)] [included (flat or dirty pricing)] for pricing purposes.]
[Market Maker:	Indicate names and addresses of the relevant firms that have undertaken to act as intermediaries in the secondary market, providing liquidity by means of bid and offer prices: [Bank Vontobel Europe AG, Alter Hof 5, 80331 Munich, Germany] [•]]
[Last stock exchange trading day:	• [(subject to early redemption)]]
[Minimum Trading Lot	•]

2. Terms of the offer

[In the case of a public offer without a subscription period for a new issue or increase of issue, insert:

The Issue Price and Value Date of the Securities and the start and the expected end of the Public Offer are specified below.]

[In the case of a public offer with a subscription period for a new issue or increase of issue, insert:

The Securities will be offered during the Subscription Period; the Subscription Period, Value Date and Issue Price of the Securities as well as the start and the expected end of the Public Offer are specified below. The Issuer reserves the right to terminate the Subscription Period early [or to extend it], to reduce subscriptions, or not to proceed with the issue of the Securities, without giving reasons.]

[In the case of a resumption of offer, insert:

The Value Date of the Securities and the start of the resumption of the Public Offer are specified below.]

[In the case of a private placement, insert:

The Issue Price and Value Date of the Securities are specified below.]

[Subscription Period • [The Issuer reserves the right to terminate the Subscription Period

	early [or to extend it].]
[Minimum Subscription Amount:	•
[Maximum Subscription Amount:	•]]
[Issue Price	• [plus price surcharge, see below.]]
Value Date	• [, subject to the [early termination or] extension of the Subscription Period.]
Start of the Public Offer:	<i>[insert only in the case of a private placement which at the same time is admitted to trading on a regulated market: A Public Offer with regard to the Securities is not intended.]</i> [in the Czech Republic starting from: •] [in Denmark starting from: •] [in Finland starting from: •] [in France starting from: •] [in Hungary starting from: •] [in Italy starting from: •] [in the Netherlands starting from: •] [in Norway starting from: •] [in Sweden starting from: •] <i>[If placement is planned by door-to-door selling as described below then insert:</i> •, with registered office • (website: •) will act as lead manager (the "Lead Manager"), "Responsabile del Collocamento" pursuant to Article 93-bis of the Italian Legislative Decree n. 58 dated 14 February 1998, as amended, in connection with the Offer. The Offer Period for the Securities placed through "door-to-door selling" (pursuant to Article 30 of the Italian Legislative Decree n. 58 dated 14 February 1998, as amended, the "Italian Financial Service Act") shall be from • (inclusive) to • (inclusive), save in case of early termination or extension as agreed between the Issuer and the Lead Manager.]
[The Public Offer will end with the term of the Securities[<i>except for products without predefined term (Open-End)</i>], insert: , expected on [insert the Valuation Date of the Securities: •.] <i>[in case the term of the Securities outlast the last day of validity of the Base Prospectus, additionally insert as the case may be: or – in case that a base prospectus which follows the Base Prospectus has not been published on the website certificates.vontobel.com under the section <<Legal Documents>> until the last date of the validity of the Base Prospectus – with expiration of the validity of the Base Prospectus pursuant to section 9 of the German Securities Prospectus Act (Wertpapierprospektgesetz, "WpPG").]</i> <i>[insert alternative provision regarding the end of the Public Offer, as the case may be: •]</i>	

3. Costs and charges

[No one-off costs, ongoing costs and/or distribution charges apply for the purchaser.] [●]

One-off costs	[[Up to] [●]% of the Issue Price (corresponds to the entry costs [and a price surcharge [(premium)] of [up to] [●]% already included in the Issue Price)] [No one-off costs apply for the purchaser.][●]	
Ongoing costs	Management fee:	[[●]% p.a.] [●]
	Portfolio fee:	[[●]% p.a.] [●]
	Index fee:	[[●]% p.a.] [●]
	[No one-off costs apply for the purchaser.][●]	
Distribution charges	[[If distribution charges /sales credit/retro is applicable, then: The one-off costs include distribution charges of [up to][●]% [p.a.].][●]	
	[[If no distribution charges /sales credit/retro is applicable, then: No distribution charges are included in the Issue Price.][●]	
	[[If trailer fees are applicable, then: The ongoing costs include distribution charges of [up to] [●]% p.a.][●]	
	[Distribution charges may be paid as a discount on the Issue Price or as a one-off and/or periodic payment by the Issuer to one or more financial intermediaries.] [●]	

4. Publication of information after completion of the issue

[With the exception of the notices specified in the Terms and Conditions, the Issuer does not intend to publish any information once the issue has been completed.] [insert alternative provision on the publication of information after completion of the issue, where applicable: ●]

ANNEX – Issue Specific Summary

[•]

13. Information incorporated by reference

Reference is made in the Base Prospectus in accordance with section 11 WpPG to information which represent an integral part of the Base Prospectus. The information so incorporated by reference into the Base Prospectus is in each case identified in the following table by designation of the document (including section and page number) in which the respective information is contained.

Document	Sections / pages incorporated¹⁾	Section / page(s) in the Base Prospectus
Registration Document of Vontobel Financial Products GmbH dated 4 May 2018	All sections and pages	Section 3 / Page 78
Registration Document of Bank Vontobel Europe AG dated 18 July 2018	All sections and pages	Section 4 / Page 79
Registration Document of Vontobel Holding AG dated 19 July 2018	All sections and pages	Section 5 / Page 80
Base Prospectus for Investment Products dated 25 September 2017	Section VIII. and XII. / Pages 143-356, 399-405	Section 7.6, 7.7 and 12 / Pages 108, 109 and 321

¹⁾ If only specific sections/pages of a document are referred to, only the information contained in those sections forms an integral part of the Base Prospectus, while the other information contained in the document concerned is either not relevant to investors or is already included elsewhere in the Base Prospectus.

The aforementioned documents from which information is incorporated by reference are all published on the website of the Issuer (certificates.vontobel.com under the section <<Legal Documents>>).

14. Appendix "Continued Offers"

Under the Base Prospectus, the public offering of certain securities which began under the Base Prospectus dated 25 September 2017 will be continued after the expiry of the validity of the Base Prospectus dated 25 September 2017 (see section 7.7 of the Base Prospectus). The Final Terms of the following securities are published on the Issuer's website (certificates.vontobel.com) and can be accessed from there by entering the respective ISIN. These securities have the following securities identification number (ISIN):

DE000VA3QZZ6

DE000VA578B7

DE000VA2M0A4