

DESCRIPTION OF HVB VERMÖGENSDEPOT WACHSTUM FLEX INDEX II

IN THE VERSION OF 14 NOVEMBER 2018

The following Index Description outlines the key data for the "HVB Vermögensdepot Wachstum Flex Index II" (the "**VDP II Index**") compiled by the Issuer. This description is subject to amendments or adjustments from time to time after the date of this Base Prospectus in relation to which the Issuer will publish a related supplement to this Base Prospectus.

The HVB VERMÖGENSDEPOT WACHSTUM FLEX INDEX II (WKN A1PHN2 / ISIN DE000A1PHN28) (the "**Index**") is an index developed and designed by UniCredit Bank AG, Munich, Germany, or any successor thereto (the "**Index Sponsor**") and calculated by UniCredit Bank AG, Munich, Germany, or any successor determined by the Index Sponsor (the "**Index Calculation Agent**") in Euro (the "**Index Currency**") in accordance with the index rules set out below (the "**Index Rules**") whose objective is to participate in the performance of the Reference Fund, while aiming to control the degree of variation (volatility) of the Reference Portfolio (the "**Objective of the Index**").

Section A. - Definitions, general information

I. Definitions

For the purposes of this description (the "**Index Description**"), the following terms have the following meanings:

Definitions regarding the Index:

"**Hedging Transactions**" means one or more trades, transactions or investments (especially securities (including Fund Shares), options, futures, derivatives and foreign currency transactions, repos or securities lending transactions or other instruments or measures) which are required for an Issuer and/or any Hedging Party to hedge price risks or other risks at standalone or portfolio basis arising from obligations with regard to the Index or with regard to Debt Securities or other financial instruments linked to the Index. The Index Calculation Agent will determine in its reasonable discretion (§ 315 of the German Civil Code (*Bürgerliches Gesetzbuch*; "**BGB**")) whether any such Hedging Transactions are required.

"**Banking Day**" means each day (other than a Saturday or Sunday) on which the principal domestic clearance system customarily used to settle trades regarding the Index Components and the Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) are open.

"**Issuer**" means an issuer of Debt Securities or other financial instruments linked to the Index.

"**Hedging Party**" means the Index Calculation Agent (as at the Index Start Date). The Index Calculation Agent is entitled at any time to appoint another person or company to act as Hedging Party (the "**Successor Hedging Party**"). The appointment of a Successor Hedging Party will be published in accordance with *Section F. - Publication* of this Index Description.

"**Index(t_j)**" means the Index Value at Index Valuation Date t_j. Index (t_j) is calculated by the Index Calculation Agent for every Index Valuation Date t_j in accordance with the provisions set forth in *Section C. - Calculation of the Index* of this Index Description.

"**Index Components**" means the Fund Shares and the Money Market Investment included in the Index at any given time.

"**Index Valuation Date**" means any Banking Day that is a Reference Index Calculation Date and on which it is actually possible to issue and redeem Fund Shares as described in the Fund Documents.

"**Index Start Date**" means 1 June 2012.

"**Index Initial Value**" means 100.00.

"**Index Value**" means the value (expressed in euro) of the Index on any given Index Valuation Date as calculated by the Index Calculation Agent.

"Money Market Investment" means a hypothetical investment in cash and money market instruments from the European single currency area. The performance of this investment is reflected by the Reference Index.

"Hypothetical Investor" means a company incorporated in Germany and holding Fund Shares of the Reference Fund.

"Reference Portfolio" means a hypothetical portfolio of a Hypothetical Investor which contains both Fund Shares and the Money Market Investment in variable weightings. The Reference Portfolio has a value at the Index Start Date equal to the Index Initial Value (expressed in euro).

"Debt Securities" means all outstanding debt securities of a company affiliated with the Index Sponsor (section 15 of the German Stock Corporation Act (*Aktiengesetz*)) at a given time for which payment of principal and/or interest depends on the performance of the Index.

" t_j " means the j -th Index Valuation Date. The Index Start Date is shown as t_0 , previous Index Valuation Dates are shown as negative indices and subsequent Index Valuation Dates as positive indices, resulting in $(\dots, t_2, t_1, t_0, t_1, t_2, \dots)$.

" t^*_j " or "Reinvestment Date" means, in relation to a Distribution, the second Index Valuation Date immediately following the relevant Distribution Payment Date.

Definitions regarding the Reference Fund:

"Investment Adviser" means UniCredit Bank AG (at the Index Start Date). The Management Company may appoint a different person or company to act as Investment Adviser at any time.

"Distribution" means a cash distribution with Ex-date after 14 November 2018 which the Reference Fund would pay per Fund Share to the Hypothetical Investor on a Distribution Payment Date.

"Distribution Payment Date" means, in relation to a Distribution, the day on which such Distribution would be received by the Hypothetical Investor.

" $d(t_j)$ " means either (i) $d(t^*_j)$ on each Index Valuation Date t_j between any Ex-Date (inclusive) and the corresponding Reinvestment Date t^*_j (exclusive) or (ii) zero on any other Index Valuation Date t_j .

" $d(t^*_j)$ " means the value (in Euro) of the relevant Distribution (less costs and taxes, if any, incurred by the Hypothetical Investor in relation to the Distribution) as at the Ex-Date immediately preceding the relevant Reinvestment Date t^*_j .

"Custodian Bank" means CACEIS Bank S.A., Germany Branch and/or any other company appointed by the Management Company to perform custodial, accounting, settlement or similar services for the Reference Fund.

"Ex-Date" means, in relation to a Distribution, the first day on which the Net Asset Value is published by the Management Company, having been reduced by that Distribution.

"Fund Share" or "Fund Shares" means a share or shares in the Reference Fund (WKN A0M035 / ISIN DE000A0M0358 / Bloomberg HVBPRWP GR Equity).

"Fund Documents" means the annual and the half-yearly report, the prospectus (including fund rules), the key investor information and all other documents of the Reference Fund which specify the terms and conditions of the Reference Fund and the Fund Shares, as amended. The Fund Documents, as amended, are available on the website www.amundi.de (or any successor site). The information contained therein is also maintained by UniCredit Bank AG, LCD6L3, Arabellastraße 14, 81925 Munich, Germany, to be issued to the public free of charge during normal business hours.

"Management Company" means Amundi Deutschland GmbH (formerly: Pioneer Investments Kapitalanlagegesellschaft mbH), which manages the Reference Fund.

"Net Asset Value" or "NAV" means the official net asset value for a Fund Share, as published by the Management Company and at which it is actually possible to issue and redeem Fund Shares.

" $n(t_j)$ " means the distribution factor for the Index Valuation Date t_j . On the Index Start Date t_0 , a value of 1.00 is set for the distribution factor ($n(t_0)$). Thereafter, the distribution factor is recalculated by the Index Calculation Agent on each Reinvestment Date t^*_j in accordance with the provisions set out in *Section C. - II. Adjustment of the Distribution Factor* of this Index Description. On Valuation Dates

where no recalculation of the distribution factor takes place, the distribution factor is given by the distribution factor of the immediately preceding Index Valuation Date.

" $\tilde{n}(t^*_j)$ " means the distribution factor $n(t_j)$ immediately prior to the Reinvestment Date t^*_j .

"NAV(t_j)" means the Net Asset Value of a Fund Share on Index Valuation Date t_j .

"NAV(t^*_j)" means the Net Asset Value of a Fund Share on Reinvestment Date t^*_j .

"NAV^A(t_j)" means the Net Asset Value of a Fund Share on Index Valuation Date t_j , after taking into account all Distributions made and reinvested since 14 November 2018, if applicable, up to such Index Valuation Date t_j , which is calculated by the Index Calculation Agent in accordance with the formula specified in *Section C. - I. Calculation of the Index Value* of this Index Description.

"**Reference Fund**" means Vermögensdepot privat 70 (formerly: HVB Vermögensdepot privat Wachstum PI).

"**Auditor**" means PricewaterhouseCoopers GmbH and/or any other auditing firm appointed by the Management Company to audit the Reference Fund and its annual financial statements.

Definitions regarding the Reference Index:

"**Reference Index**" means the HVB 3 Months Rolling Euribor Index (WKN A0QZBZ / ISIN DE000A0QZBZ6 / Reuters .HVB3MRE / Bloomberg HVB3MRE Index), as determined and calculated by UniCredit Bank AG (the "**Reference Index Sponsor**").

"**Reference Index Calculation Agent**" means UniCredit Bank AG, Munich, Germany.

"**Reference Index Calculation Date**" means each day (other than a Saturday or Sunday) on which the Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) is open.

"**Reference Index Description**" means the description defining the method used to calculate the Reference Index, as amended. The Reference Index Description is available on the website www.onemarkets.de (or any successor site).

"**Reference Index Value**" means the value (expressed in Euro) of the Reference Index calculated by the Reference Index Calculation Agent on the basis of the method described in the Reference Index Description at any Reference Index Calculation Date.

"RIV(t_j)" means the Reference Index Value on Index Valuation Date t_j .

"**Synthetic Dividend**" or "**Div**" means a rate by which the performance of the Reference Index is reduced. The Synthetic Dividend is 1.55% per annum (Div = 1.55%).

II. General information

Where information is provided in this Index Description with respect to the Reference Fund, such information is based exclusively on information taken from the Fund Documents and from the website of the Management Company. The responsibility of the Index Calculation Agent is limited to reproducing such publicly available information accurately and to ensuring that no facts are omitted that would otherwise result in a false, incomplete or misleading representation herein to the extent that this is evident for the Index Calculation Agent and to the extent that this is demonstrable for the Index Calculation Agent from the information published by the Management Company. In particular, neither the Index Sponsor nor the Index Calculation Agent nor any other person or company that provides services in connection with the Index accepts any responsibility for the correctness or completeness of the present description and the underlying information or for the event that any circumstances have arisen that could impair its correctness or completeness. The information herein is given as at 14 November 2018. For further and current information regarding the Reference Fund, please refer to the website of the Management Company www.amundi.de (or any successor site).

When calculating the Index Value, the Index Calculation Agent must rely upon statements, confirmations, computations, assurances and other information provided by third parties, the correctness and reliability of which it largely does not verify and for the correctness of which it accepts no responsibility. Any inaccuracies contained in such information may have an impact on the calculation of the In-

dex Value without any fault attaching to the Index Calculation Agent. The Index Calculation Agent has no obligation to verify this information independently.

The Index exists exclusively in the form of sets of data records and does not convey any direct or indirect legal or beneficial interest or ownership in the Index Components. Each of the allocations described herein within the Reference Portfolio is only carried out hypothetically by modifying such records. The Index Calculation Agent, any Issuer and the Hedging Party are under no obligation to directly or indirectly acquire the Index Components.

Section B. - General information regarding the Index

I. Objective of the Index

The Index reflects the performance of the Reference Portfolio.

The economic objective of the Reference Portfolio is to participate in the performance of the Reference Fund, while aiming to control the degree of variation (volatility) of the Reference Portfolio. To this end, the participation in the Reference Fund will be reduced in part or in full in the event of high volatility of the Reference Fund (adjusted for distributions), and the participation in the Money Market Investment will be increased accordingly. Conversely, the participation in the Money Market Investment will be reduced in part or in full in the event of low volatility of the Reference Fund, and the participation in the Reference Fund will be increased accordingly.

However, there is no guarantee that the Reference Portfolio and hence the Index will achieve the objectives described here.

For the purposes of calculating the Index, the Money Market Investment is reflected by the Reference Index.

II. Index Sponsor and Index Calculation Agent

The Index Sponsor compiles the Index by selecting the Index Components and by determining the method used to calculate and publish the Index Value (the "**Index Concept**").

The Index Calculation Agent conducts all calculations, determinations and definitions with the regard to the Index in accordance with this Index Description, and monitors and updates certain index data for this purpose.

The Index Calculation Agent may at any time in its sole discretion seek advice from third parties with regard to its obligations described herein. The Index Calculation Agent may resign at any time, provided that, for as long as Debt Securities are still outstanding, the resignation will take effect only if (i) a successor Index Calculation Agent is appointed, (ii) such successor Index Calculation Agent accepts the appointment, and (iii) the successor Index Calculation Agent assumes the rights and obligations of the Index Calculation Agent. Such replacement of the Index Calculation Agent will be published in accordance with *Section F. - Publication* of this Index Description.

The Index Calculation Agent will act with the due care of a prudent businessman (*Sorgfalt eines ordentlichen Kaufmannes*) in carrying out all calculations, determinations and definitions with regard to the Index in accordance with this Index Description. The Index Sponsor and the Index Calculation Agent accept no liability except in the event of wilful misconduct or gross negligence.

Neither the Index Sponsor nor any other person related to the Index acts in any fiduciary or advisory capacity for any holder of Debt Securities.

Section C. - Calculation of the Index

I. Calculation of the Index Value

The Index Value ($\text{Index}(t_j)$) is calculated by the Index Calculation Agent for each Index Valuation Date t_j (where $j = 1, 2, \dots$) after the Index Start Date in accordance with the following formula:

$$\text{Index}(t_j) = \text{Index}(t_{j-1}) \times \left[1 + w(t_{j-1}) \times \text{Return}_1(t_j) + (1 - w(t_{j-1})) \times \text{Return}_2(t_j) \right],$$

where the return on the Reference Fund since the previous Index Valuation Date ($\text{Return}_1(t_j)$) is calculated as follows:

$$\text{Return}_1(t_j) = \frac{\text{NAV}^A(t_j) - \text{NAV}^A(t_{j-1})}{\text{NAV}^A(t_{j-1})},$$

with

$$\text{NAV}^A(t_j) = n(t_j) \times (\text{NAV}(t_j) + d(t_j)),$$

and the return on the Money Market Investment is calculated as follows on the basis of the Reference Index and reduced by the proportionate Synthetic Dividend since the previous Index Valuation Date ($\text{Return}_2(t_j)$):

$$\text{Return}_2(t_j) = \frac{\text{RIV}(t_j) - \text{RIV}(t_{j-1})}{\text{RIV}(t_{j-1})} - \frac{\text{Div}}{360} \times \Delta(t_{j-1}, t_j),$$

where

" $w(t_{j-1})$ " denotes the weighting of the Reference Fund (as defined in *Section C. - III. Dynamic Allocation Rules* below), calculated for the Index Valuation Date t_{j-1} ;

" $\Delta(t_{j-1}, t_j)$ " denotes the number of calendar days from Index Valuation Date t_{j-1} (exclusive) to Index Valuation Date t_j (inclusive).

Under normal circumstances, the Index Value at an Index Valuation Date is calculated on the following Banking Day (each an "**Index Calculation Date**") after the Index Calculation Agent has received the relevant Net Asset Value of the Reference Fund.

II. Adjustment of the Distribution Factor

On each Reinvestment Date t^*_j , the distribution factor $n(t^*_j)$ is recalculated by the Index Calculation Agent in a way so that it notionally equals a reinvestment of the present value (in Euro) of the related Distribution (less costs and taxes, if any, incurred by the Hypothetical Investor) in Fund Shares. Expressed as a formula, this means:

$$n(t^*_j) = \tilde{n}(t^*_j) + \frac{\tilde{n}(t^*_j) \times d(t^*_j)}{\text{NAV}(t^*_j)}.$$

III. Dynamic Allocation Rules

The weighting of the Index Components in the Reference Portfolio is redetermined on each Index Valuation Date t_j (where $j = 0, 1, 2, \dots$) as follows ("**Dynamic Allocation**"):

First, the Index Calculation Agent calculates the realised degree of variation (realised volatility) of the Reference Fund (adjusted for distributions) ($\sigma_R(t_j)$), using the daily returns of the Reference Fund over a period of twenty Index Valuation Dates, and derives an annual volatility level from this realised volatility. The period observed commences twenty-two Index Valuation Dates prior to the relevant Index Valuation Date and ends two Index Valuation Dates prior to the relevant Index Valuation Date. Daily Return is the logarithm of the change in the Net Asset Value between two consecutive Index Valuation Dates.

The realised volatility of the Reference Fund on each Index Valuation Date t_j (where $j = 0, 1, 2, \dots$) is calculated as follows:

$$\sigma_R(t_j) = \sqrt{\frac{\sum_{p=0}^{19} \left(\text{Ln} \left[\frac{\text{NAV}^A(t_{j-p-2})}{\text{NAV}^A(t_{j-p-3})} \right] \right)^2 - \frac{1}{20} \times \left(\sum_{p=0}^{19} \text{Ln} \left[\frac{\text{NAV}^A(t_{j-p-2})}{\text{NAV}^A(t_{j-p-3})} \right] \right)^2}{19}} \times \sqrt{252},$$

where

" $\text{Ln}[x]$ " denotes the natural logarithm of $[x]$.

Next, the Index Calculation Agent determines the weighting of the Reference Fund for the corresponding Index Valuation Date t_j ($w(t_j)$) using the following Allocation Table and the realised volatility of the Reference Fund calculated in accordance with the formula described above. The greater the realised volatility of the Reference Fund, the lower the weighting of the Reference Fund and vice versa.

"Allocation Table":

Realised volatility of the Reference Fund	Weighting $w(t_j)$
$\sigma_R(t_j) < 7.00\%$	100%
$7.00\% \leq \sigma_R(t_j) < 7.25\%$	96%
$7.25\% \leq \sigma_R(t_j) < 7.50\%$	92%
$7.50\% \leq \sigma_R(t_j) < 7.75\%$	90%
$7.75\% \leq \sigma_R(t_j) < 8.00\%$	87%
$8.00\% \leq \sigma_R(t_j) < 8.25\%$	85%
$8.25\% \leq \sigma_R(t_j) < 8.50\%$	82%
$8.50\% \leq \sigma_R(t_j) < 8.75\%$	80%
$8.75\% \leq \sigma_R(t_j) < 9.00\%$	78%
$9.00\% \leq \sigma_R(t_j) < 9.50\%$	74%
$9.50\% \leq \sigma_R(t_j) < 10.00\%$	70%
$10.00\% \leq \sigma_R(t_j) < 10.50\%$	66%
$10.50\% \leq \sigma_R(t_j) < 11.00\%$	63%
$11.00\% \leq \sigma_R(t_j) < 11.50\%$	61%
$11.50\% \leq \sigma_R(t_j) < 12.00\%$	58%
$12.00\% \leq \sigma_R(t_j) < 12.50\%$	56%
$12.50\% \leq \sigma_R(t_j) < 13.00\%$	54%
$13.00\% \leq \sigma_R(t_j) < 13.50\%$	52%
$13.50\% \leq \sigma_R(t_j) < 14.00\%$	50%
$14.00\% \leq \sigma_R(t_j) < 15.00\%$	46%
$15.00\% \leq \sigma_R(t_j) < 16.00\%$	43%
$16.00\% \leq \sigma_R(t_j) < 17.00\%$	41%
$17.00\% \leq \sigma_R(t_j) < 18.00\%$	38%
$18.00\% \leq \sigma_R(t_j) < 19.00\%$	36%
$19.00\% \leq \sigma_R(t_j) < 20.00\%$	35%
$20.00\% \leq \sigma_R(t_j) < 21.00\%$	30%
$21.00\% \leq \sigma_R(t_j) < 22.00\%$	25%

$22.00\% \leq \sigma_R(t_j) < 23.00\%$	20%
$23.00\% \leq \sigma_R(t_j) < 24.00\%$	15%
$24.00\% \leq \sigma_R(t_j) < 25.00\%$	10%
$25.00\% \leq \sigma_R(t_j) < 27.00\%$	5%
$27.00\% \leq \sigma_R(t_j)$	0%

When performing the Dynamic Allocation, the Index Calculation Agent will take into account the possibilities of the Hypothetical Investor to subscribe or redeem Fund Shares (where appropriate taking into consideration subscription and redemption periods of the Reference Fund). This may lead to a delayed or gradual implementation of Dynamic Allocation.

The Dynamic Allocation may be spread across several Banking Days where necessary in order to reduce resulting influences on the development of the price of the Reference Fund and/or its components. Such influences may occur in particular if Dynamic Allocation would lead to the Hedging Party having to buy or sell Fund Shares with a total value of more than 5% of the fund volume in order to enter into or unwind relevant Hedging Transactions or if the market conditions for the components of the Reference Fund generally deteriorate, in particular with regard to their liquidity, or the Reference Fund exercises its right to partially execute redemption requests. The Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether it is necessary to spread the Dynamic Allocation across several Banking Days.

The Index Calculation Agent carries out its obligations described herein on the relevant Banking Days. Where it is necessary to carry out one of the obligations described herein on a different Banking Day, the Index Calculation Agent will postpone the relevant obligation to this other Banking Day. The Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether the requirements of such postponement are met.

Section D. - Extraordinary adjustments and market disruptions

I. General extraordinary adjustments

Adjustment with regard to the Reference Fund

Should the Index Calculation Agent determine that one or more Fund Events have occurred, the Index Calculation Agent will, if necessary, adjust the Index Concept in such a way that the financial position of the Hypothetical Investor remains unchanged to the greatest extent possible (the "**Reference Fund Adjustment**"). The Index Calculation Agent will determine the type and scope of any measures required for this purpose in its reasonable discretion (§ 315 BGB).

In the context of such Reference Fund Adjustment, the Index Calculation Agent may specifically:

- a) replace the Reference Fund and the Fund Shares, in full or in part, with a fund and fund shares with economically equivalent liquidity, distribution policy and investment strategy (the "**Successor Reference Fund**", and its shares the "**Successor Fund Shares**") in the amount of the proceeds of the liquidation of the relevant Reference Fund within ten Banking Days of the day on which the liquidation proceeds would have been received in part or in full by the Hypothetical Investor. In this event, each reference to the Reference Fund or the Fund Shares will be deemed to refer to the Successor Reference Fund or the Successor Fund Shares, as applicable;
- b) replace the Reference Fund with an index determined in the reasonable discretion (§ 315 BGB) of the Index Calculation Agent (the "**Successor Index**") within ten Banking Days of the day on which the proceeds of the liquidation of the relevant Reference Fund would have been received in part or in full by the Hypothetical Investor; or
- c) adjust any provision of the Index Concept, the adjustment of which is appropriate to account for the economic effect of the Fund Event

(where necessary also adjusting the weighting of the Index Components now included in the Index). Any such Reference Fund Adjustment will be published in accordance with *Section F. - Publication of this Index Description*.

The Management Company will take the remuneration that the Index Calculation Agent receives from the Management Company in its function as Investment Adviser into account in its internal pricing models by means of lower costs for the earnings mechanism in its function as Hedging Party. This remuneration is not distributed to the holders of Debt Securities or reinvested in the Index. Should the Reference Fund be replaced in accordance with (a) or (b) resulting in the loss or the reduction of the remuneration received by the Index Calculation Agent in its function as Investment Adviser to the Successor Reference Fund, the Index Calculation Agent will introduce a Synthetic Dividend on the return of the Fund Shares, i.e. the Return1 (as defined in *Section C. - Calculation of the Index Value of this Index Description*) is reduced by the Synthetic Dividend as an annual percentage on a daily basis in the same way as Return2 is calculated. This Synthetic Dividend (i) amounts to 1.55% p.a. in the case of a Successor Index, or (ii) in the case of a Successor Reference Fund, is calculated as the difference between 1.55% p.a. and the anticipated reduced trailer fee for holdings of the Successor Reference Fund as an annual percentage. It will, however, not exceed 1.55% p.a. The introduction of a Synthetic Dividend and its amount will be published in accordance with *Section F. - Publication of this Index Description*.

"Fund Event" means any of the following events:

- a) changes are made in any of the Fund Documents without the consent of the Index Calculation Agent which affect the ability of the Issuer and/or the Hedging Party to maintain its Hedging Transactions, in particular changes with respect to (i) the risk profile of the Reference Fund, (ii) the investment objectives or investment strategy or investment restrictions of the Reference Fund, (iii) the currency of the Fund Shares, (iv) the relevant method of calculating the Net Asset Value, or (v) the timetable for the subscription, redemption or transfer of Fund Shares; the Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether any such change has occurred;
- b) requests for the redemption, subscription or transfer of Fund Shares are not or only partially executed;
- c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares (other than such fees, premiums, discounts, charges, commissions, taxes or similar fees existing at the date the Reference Fund was included in the Index);
- d) the Management Company fails to publish the Net Asset Value as scheduled or in accordance with normal practice or as specified in the Fund Documents;
- e) a change in the legal form of the Reference Fund;
- f) a change of key persons in key positions of the Management Company or the fund management;
- g) (i) any change in the legal, accounting, tax or regulatory treatment of the Reference Fund or the Management Company; or (ii) the suspension, cancellation, revocation or absence of registration or approval of the Reference Fund or the Management Company; or (iii) the revocation of a relevant authorisation or licence for the Reference Fund or the Management Company by a competent authority; or (iv) the initiation of a regulatory investigation, conviction by a court or an order by a competent authority relating to the activities of the Reference Fund, the Management Company, other service providers that perform their services for the Reference Fund, or of individuals in key positions as a result of misconduct, a violation of the law or for similar reasons;
- h) a breach of the investment objectives or investment restrictions of the Reference Fund (as defined in the Fund Documents), and a breach by the Reference Fund or the Management Company of statutory or regulatory provisions;
- i) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which (i) requires the Hedging Party, in relation to the subscription, redemption or holding of Fund Shares, to create a reserve, provision or similar, or (ii) increases the

amount of regulatory capital to be held by the Hedging Party with respect to its Hedging Transactions to an extent that is significant in comparison with the conditions applying on the Index Start Date; the Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether any such change has occurred;

- j) an increase in the proportion of the volume held by the Hedging Party alone or together with a third party with which the Hedging Party in turn enters into Hedging Transactions beyond 35% of the outstanding Fund Shares in the Reference Fund;
- k) the Hedging Party is required to consolidate the Reference Fund as a result of accounting or other regulations;
- l) the sale or redemption of Fund Shares for mandatory reasons for the Hedging Party, provided that this is not solely for the purpose of entering into or unwinding Hedging Transactions;
- m) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares, (ii) the reduction of the number of Fund Shares of a shareholder in the Reference Fund for reasons outside the control of that shareholder, (iii) the subdivision, consolidation or reclassification of the Fund Shares, (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash, or (v) the creation of so-called side pockets for segregated assets of the Reference Fund;
- n) the Management Company, the Auditor, the Investment Adviser, the Custodian Bank or any other service provider that performs its services for the Reference Fund ceases to act in such capacity or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another service provider of the similarly good standing;
- o) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Reference Fund or the Fund Shares, (ii) the initiation of settlement, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Reference Fund or the merger of the Reference Fund into or with another fund, (iii) a requirement to transfer all the Fund Shares to a trustee, liquidator, insolvency administrator or similar office-holder, or (iv) the legal prohibition of transfers of the Fund Shares by the shareholders;
- p) the initiation of settlement, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Management Company;
- q) the Index Calculation Agent loses the right to use the Reference Fund as the basis for the calculation, determination and publication of the Index;
- r) the aggregate net assets under management of the Reference Fund fall below a value of EUR 500 million;
- s) a change in the tax laws and regulations or in their implementation or interpretation which has negative consequences for an Issuer, the Hedging Party or a holder of Debt Securities in the reasonable discretion (§ 315 BGB) of the Index Calculation Agent;
- t) no relevant data is provided for the calculation of the taxable basis for the Reference Fund in accordance with § 5 (1) of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") or the Reference Fund or the Management Company has announced that no relevant data will be provided in accordance with § 5 (1) InvStG in the future;
- u) distributions which diverge significantly from the Reference Fund's normal distribution policy;
- v) changes in the investment or distribution policy of the Reference Fund which could have a substantial negative effect on the amount of the Reference Fund's distributions;
- w) the Reference Fund or the Management Company fails to pay the remuneration agreed with the Investment Adviser, discontinues such payment unlawfully or reduces such payment unlawfully;

- x) the Reference Fund or the Management Company or a company affiliated with it breaches the agreement entered into with the Index Calculation Agent, an Issuer or the Hedging Party in relation to the Reference Fund in a significant respect or terminates that agreement;
- y) the Reference Fund or the Management Company, contrary to normal practice to date, fails to provide the Index Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Reference Fund's investment guidelines or restrictions in a timely manner;
- z) the Reference Fund or the Management Company fails to provide the Index Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request;
- aa) any other event that could have a noticeable adverse effect on the Net Asset Value of the Reference Fund or the ability of the Hedging Party to hedge its obligations under the Hedging Transactions on more than a temporary basis

to the extent that the financial position of a Hypothetical Investor or of the Hedging Party or of the holders of Debt Securities or other financial instruments linked to the Index suffers a significant adverse change as a result, as determined by the Index Calculation Agent in its reasonable discretion (§ 315 BGB).

The Index Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred. The determination of a Fund Event will be published in accordance with *Section F. - Publication* of this Index Description.

Adjustment with regard to the Reference Index

Should the Index Calculation Agent determine that one or more Index Events have occurred, the Index Calculation Agent will, if necessary, adjust the Index Concept in such a way that the financial position of the Hypothetical Investor remains unchanged to the greatest extent possible (the "**Reference Index Adjustment**"). The Index Calculation Agent will determine the type and scope of any measures required for this purpose in its reasonable discretion (§ 315 BGB).

In the context of such Reference Index Adjustment, the Index Calculation Agent may specifically:

- a) replace the Reference Index with a new index (the "**Successor Reference Index**") using a methodology that is economically equivalent to the greatest extent possible (including in particular the tracking of rolling money market returns). However, the Successor Reference Index may use differing application periods for the Reference Rates and differing rolling intervals. In this event, each reference to the Reference Index will be deemed to refer to the Successor Reference Index;
- b) adjust any provision of the Index Concept, the adjustment of which is appropriate to account for the economic effect of the Index Event

(where necessary also adjusting the weighting of the Index Components now included in the Index).

"**Index Event**" means any of the following events occurring on or after the Index Start Date:

- a) changes or modifications are made to the method of calculation, determination and publication of the Reference Index, as described in the Reference Index Description, without the consent of the Index Calculation Agent which affect the ability of the Hedging Party to hedge its obligations under the Hedging Transactions (in particular changes with respect to (i) the risk profile of the Reference Index, or (ii) the Reference Index is no longer calculated in euro); the Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether any such change or modification has occurred;
- b) the historic 30-day volatility of the Reference Index exceeds a volatility level of 2.5%; where $\sigma_{EI}(t_j)$ means the annualised volatility calculated on the basis of the daily logarithmic changes in the value of the Reference Index over the immediately preceding 30 Reference Index Calculation Dates of the Reference Index on a Banking Day (t). $\sigma_{EI}(t_j)$ is calculated in accordance with the following formula:

$$\sigma_{EI}(t_j) = \sqrt{\frac{\sum_{p=0}^{29} \left(\text{Ln} \left[\frac{\text{RIV}(t_{j-p})}{\text{RIV}(t_{j-p-1})} \right] \right)^2 - \frac{1}{30} \times \left(\sum_{p=0}^{29} \text{Ln} \left[\frac{\text{RIV}(t_{j-p})}{\text{RIV}(t_{j-p-1})} \right] \right)^2}{29}} \times \sqrt{252},$$

Where:

"Ln[x]" denotes the natural logarithm of [x];

- c) the calculation or publication of the Reference Index is discontinued;
- d) the Reference Index no longer, in the reasonable discretion (§ 315 BGB) of the Index Calculation Agent, corresponds to the objective of a low-risk investment that is free of currency risk for the Hypothetical Investor;
- e) any other event that, in the reasonable discretion (§ 315 BGB) of the Index Calculation Agent, could have a noticeable adverse effect on the Reference Index Value or the ability of the Hedging Party to hedge its obligations under the Hedging Transactions on more than a temporary basis.

The Index Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred. The determination of an Index Event will be published in accordance with *Section F. - Publication* of this Index Description.

Termination of the Index

The Index Calculation Agent has the right to temporarily suspend the calculation of the Index following the occurrence of one or more Fund Events and/or one or more Index Events.

Should an adjustment of the Index Concept not be possible or not be reasonable for the Hypothetical Investor, the Index Calculation Agent has the right to permanently discontinue the calculation of the Index at any time; the Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether the relevant requirements are met.

II. Adjustment of the Net Asset Value

In the following cases, the Index Calculation Agent will, for the purposes of calculating the Index Value, adjust the Net Asset Value of the Reference Fund published by the Management Company to account for the economic effects of the relevant events on the Index:

- a) charges or fees are levied in connection with the issue or redemption of Fund Shares;
- b) a Hypothetical Investor would not have received the aggregate proceeds from the redemption of Fund Shares within the usual period or the period specified in the Fund Documents; or
- c) in the event of (i) a manifest error, (ii) the incorrect publication of the Net Asset Value, or (iii) if a Net Asset Value determined and published by the Management Company, as used by the Index Calculation Agent as the basis for the calculation, determination and publication of the Index, is subsequently corrected. In cases (ii) and (iii), the Index Calculation Agent will, where necessary, again determine the relevant Net Asset Value (the "**Corrected Net Asset Value**") and again calculate the Index Value on the basis of the Corrected Net Asset Value, taking into account the situation of a Hypothetical Investor.

The Index Calculation Agent will determine the extent of any necessary adjustments to the Net Asset Value in its reasonable discretion (§ 315 BGB). When adjusting the Net Asset Value, the Index Calculation Agent will take into account the fact that proceeds from the reduction of a Reference Fund may only be allocated to the Reference Index (and vice versa) after the Hypothetical Investor would have received the respective proceeds from the disposal of the Reference Fund or the money market component.

III. Adjustment of the value of the Reference Index

In the following cases, the Index Calculation Agent will, for the purposes of calculating the Index Value, adjust the Reference Index Value of the Reference Index published by the calculation agent of the Reference Index to account for the economic effects of the relevant events on the Index:

- a) in the event of a manifest error in the calculation of the Reference Index Value;

- b) in the event of the incorrect publication of the Reference Index Value; or
- c) if a Reference Index Value determined and published by the Reference Index Sponsor, as used by the Index Calculation Agent as the basis for the calculation of the Index, is subsequently corrected.

The Index Calculation Agent will determine the extent of any necessary adjustments to the Reference Index Value in its reasonable discretion (§ 315 BGB). In cases b. and c., the Index Calculation Agent will, where necessary, again determine the relevant Reference Index Value (the "**Corrected Reference Index Value**") and again calculate the Index Value on the basis of the Corrected Reference Index Value.

IV. Adjustment of the Distribution

In case that the data in relation to a Distribution (amount of the Distribution, Distribution Payment Date, Ex-Date) is not available via the data provider system Bloomberg at the latest on the Index Valuation Date immediately preceding the relevant Ex-Date, then the Index Calculation Agent will re-determine the Index Value and the adjustment of the distribution factor pursuant to the relevant formulas after the data has been published. The dynamic allocation rules will only be applied to such extent that the Index Calculation Agent takes into account only the information that would be available via Bloomberg to the Hypothetical Investor at the time at which the Hypothetical Investor would have been required to submit subscription or redemption order for Fund Shares in order to replicate a reallocation of the Reference Portfolio taking into account, as the case may be, subscription and redemption notice periods, respectively.

V. Market Disruption Events

- a) If the Hypothetical Investor is not able to subscribe for or redeem Fund Shares on an Index Valuation Date, whether because the subscription or redemption of Fund Shares has been suspended or no Net Asset Value has been published for the Reference Fund or such publication will be delayed (a "**Reference Fund Market Disruption Event**"), the Index Calculation Agent will postpone the calculation, determination and publication of the Index (specifically including the performance of Dynamic Allocation) until such time as the Reference Fund Market Disruption Event ends. The Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether the relevant requirements are met.

If the Reference Fund Market Disruption Event continues for more than thirty Banking Days, the Index Calculation Agent will make an estimate of the Net Asset Value taking into account the then prevailing market conditions and the possibilities of the Hypothetical Investor to sell Fund Shares in the market, in order to perform a calculation, determination and publication of the Index (specifically including the performance of Dynamic Allocation), provided that a data basis is available which is sufficient for the purposes of such estimate. The Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether a sufficient data basis is available. The estimate will be based on a commercially reasonable assessment.

- b) If a Reference Index Value that is required for the calculation, determination and publication of the Index has not been published on an Index Valuation Date, or such publication will be delayed, the Index Calculation Agent will, in order to calculate the required price of the Reference Index, apply the calculation method described in the description of the Reference Index taking into account the most recently available value of the Reference Index.

Section E. - Corrections

The Index Calculation Agent may correct or amend contradictory or incomplete provisions in the Index Description in accordance with the provisions applicable to the relevant Debt Securities or the relevant other financial instruments linked to the Index.

Section F. - Publication

The Index Value is published by the Index Calculation Agent on the website www.onemarkets.de, the Reuters page .UCGRVDW2 and on Bloomberg under the ticker UCGRVDW2 Index.

All determinations made by the Index Calculation Agent in its reasonable discretion (§ 315 BGB) will be published in accordance with the terms and conditions of the relevant Debt Securities or the relevant other financial instruments linked to the Index.

Section G. - Governing law

This Index Description is governed by German law.